AN ACT

To repeal sections 32.028, 32.087, 32.115, 99.1205, 100.286, 100.297, 100.850, 105.716, 135.010, 135.025, 135.030, 135.090, 135.155, 135.313, 135.326, 135.327, 135.350, 135.352, 135.460, 135.484, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.815, 135.825, 135.950, 135.973, 135.1150, 143.119, 144.054, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 196.1109, 196.1115, 208.770, 215.020, 215.030, 215.033, 215.034, 253.545, 253.550, 253.557, 253.559, 348.251, 348.253, 348.256, 348.261, 348.262, 348.263, 348.264, 348.271, 348.300, 348.430, 348.432, 348.434, 348.500, 348.505, 447.708, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, 620.1878, 620.1881, and 660.055, RSMo, and to enact in lieu thereof ninety-seven new sections relating to collection of state money, with penalty provisions and an emergency clause.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Sections 32.028, 32.087, 32.115, 99.1205, 100.286, 100.297, 100.850, 105.716, 135.010, 135.025, 135.030, 135.090, 135.155, 135.313, 135.326, 135.327, 135.350, 135.352, 135.460, 135.484, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.815, 135.825, 135.950, 135.973, 135.1150, 143.119, 144.054, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 196.1109, 196.1115, 208.770, 215.020, 215.030, 215.033, 215.034, 253.545, 253.550, 253.557, 253.559, 348.251, 348.253, 348.256, 348.261, 348.262, 348.263, 348.264, 348.271, 348.300, 348.430, 348.432, 348.434, 348.500, 348.505, 447.708, 620.470,

620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, 620.1878, 620.1881, and 660.055, RSMo, are repealed and ninety-seven new sections enacted in lieu thereof, to be known as sections 32.028, 32.058, 32.087, 32.115, 32.383, 32.385, 32.410, 32.420, 32.430, 32.440, 32.450, 32.460, 67.2050, 67.3000, 67.3005, 99.1205, 100.286, 100.297, 100.850, 105.716, 135.010, 135.025, 135.030, 135.090, 135.155, 135.326, 135.327, 135.350, 135.352, 135.460, 135.484, 135.490, 135.535, 135.550, 135.562, 135.600, 135.630, 135.647, 135.679, 135.700, 135.815, 135.825, 135.950, 135.973, 135.1150, 135.1180, 135.1500, 135.1503, 135.1505, 135.1507, 135.1509, 135.1511, 135.1513, 135.1515, 135.1517, 135.1519, 135.1521, 140.910, 144.054, 144.810, 196.1109, 196.1115, 208.770, 215.020, 215.030, 215.033, 215.034, 253.545, 253.550, 253.557, 253.559, 348.250, 348.251, 348.256, 348.257, 348.261, 348.262, 348.263, 348.264, 348.265, 348.269, 348.271, 348.300, 348.430, 348.432, 348.434, 348.500, 447.708, 620.495, 620.800, 620.803, 620.806, 620.809, 620.1878, 620.1881, 660.055, and 1, to read as follows:

32.028. 1. There is hereby created a department of revenue in charge of a director appointed by the governor, by and with the advice and consent of the senate. The department shall collect all taxes and fees payable to the state as provided by law <u>and may collect, upon referral by a state agency, debts owed to any state agency subject to section 32.420</u>.

2. The powers, duties and functions of the department of revenue, chapter 32 and others, are transferred by type I transfer to the department of revenue. All powers, duties and

function of the collector of revenue are transferred to the director of the department by type I transfer and the position of collector of revenue is abolished.

3. The powers, duties and functions of the state tax commission, chapter 138 and others, are transferred by type III transfer to the department of revenue.

4. All of the powers, duties and functions of the state tax commission relating to administration of the corporation franchise tax, chapter 152, and others, are transferred by type I transfer to the department of revenue; provided, however, that the provision of section 138.430 relating to appeals from decisions of the director of revenue shall apply to these taxes.

5. All the powers, duties and functions of the highway reciprocity commission, chapter 301, are transferred by type II transfer to the department of revenue.

32.058. For all years beginning after January 1, 2012, notwithstanding the certified mail provisions contained in chapters 32, 140, 142, 143, 144, 147, 148, 149, and 302, the director of revenue may choose to mail any document by first class mail.

32.087. 1. Within ten days after the adoption of any ordinance or order in favor of adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing entity, the governing body or official of such taxing entity shall forward to the director of revenue by United States registered mail or certified mail a certified copy of the ordinance or order. The ordinance or order shall reflect the

effective date thereof.

2. Any local sales tax so adopted shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of adoption of the local sales tax, except as provided in subsection 18 of this section.

3. Every retailer within the jurisdiction of one or more taxing entities which has imposed one or more local sales taxes under the local sales tax law shall add all taxes so imposed along with the tax imposed by the sales tax law of the state of Missouri to the sale price and, when added, the combined tax shall constitute a part of the price, and shall be a debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same manner as the purchase price. The combined rate of the state sales tax and all local sales taxes shall be the sum of the rates, multiplying the combined rate times the amount of the sale.

4. The brackets required to be established by the director of revenue under the provisions of section 144.285 shall be based upon the sum of the combined rate of the state sales tax and all local sales taxes imposed under the provisions of the local sales tax law.

5. The ordinance or order imposing a local sales tax under the local sales tax law shall impose upon all sellers a tax for the privilege of engaging in the business of selling tangible personal property or rendering taxable services at retail to the extent and in the manner provided in sections 144.010 to 144.525, and the rules and regulations of the director of

revenue issued pursuant thereto; except that the rate of the tax shall be the sum of the combined rate of the state sales tax or state highway use tax and all local sales taxes imposed under the provisions of the local sales tax law.

6. On and after the effective date of any local sales tax imposed under the provisions of the local sales tax law, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax, and the director of revenue shall collect in addition to the sales tax for the state of Missouri all additional local sales taxes authorized under the authority of the local sales tax law. <u>The director shall retain one percent of the amount of any local sales or use tax collected for cost of collection.</u> All local sales taxes imposed under the local sales tax law together with all taxes imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

7. All applicable provisions contained in sections 144.010 to 144.525 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall apply to the collection of any local sales tax imposed under the local sales tax law except as modified by the local sales tax law.

8. All exemptions granted to agencies of government, organizations, persons and to the sale of certain articles and items of tangible personal property and taxable services under the provisions of sections 144.010 to 144.525, as these sections

now read and as they may hereafter be amended, it being the intent of this general assembly to ensure that the same sales tax exemptions granted from the state sales tax law also be granted under the local sales tax law, are hereby made applicable to the imposition and collection of all local sales taxes imposed under the local sales tax law.

9. The same sales tax permit, exemption certificate and retail certificate required by sections 144.010 to 144.525 for the administration and collection of the state sales tax shall satisfy the requirements of the local sales tax law, and no additional permit or exemption certificate or retail certificate shall be required; except that the director of revenue may prescribe a form of exemption certificate for an exemption from any local sales tax imposed by the local sales tax law.

10. All discounts allowed the retailer under the provisions of the state sales tax law for the collection of and for payment of taxes under the provisions of the state sales tax law are hereby allowed and made applicable to any local sales tax collected under the provisions of the local sales tax law.

11. The penalties provided in section 32.057 and sections 144.010 to 144.525 for a violation of the provisions of those sections are hereby made applicable to violations of the provisions of the local sales tax law.

12. (1) For the purposes of any local sales tax imposed by an ordinance or order under the local sales tax law, all sales, except the sale of motor vehicles, trailers, boats, and outboard motors, shall be deemed to be consummated at the place

of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination. In the event a retailer has more than one place of business in this state which participates in the sale, the sale shall be deemed to be consummated at the place of business of the retailer where the initial order for the tangible personal property is taken, even though the order must be forwarded elsewhere for acceptance, approval of credit, shipment or billing. A sale by a retailer's agent or employee shall be deemed to be consummated at the place of business from which he works.

(2) For the purposes of any local sales tax imposed by an ordinance or order under the local sales tax law, all sales of motor vehicles, trailers, boats, and outboard motors shall be deemed to be consummated at the residence of the purchaser and not at the place of business of the retailer, or the place of business from which the retailer's agent or employee works.

(3) For the purposes of any local tax imposed by an ordinance or under the local sales tax law on charges for mobile telecommunications services, all taxes of mobile telecommunications service shall be imposed as provided in the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended.

13. Local sales taxes imposed pursuant to the local sales tax law on the purchase and sale of motor vehicles, trailers, boats, and outboard motors shall not be collected and remitted by the seller, but shall be collected by the director of revenue

at the time application is made for a certificate of title, if the address of the applicant is within a taxing entity imposing a local sales tax under the local sales tax law.

14. The director of revenue and any of his or her deputies, assistants and employees who have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting, or recording of funds which come into the hands of the director of revenue under the provisions of the local sales tax law shall enter a surety bond or bonds payable to any and all taxing entities in whose behalf such funds have been collected under the local sales tax law in the amount of one hundred thousand dollars for each such tax; but the director of revenue may enter into a blanket bond covering himself or herself and all such deputies, assistants and employees. The cost of any premium for such bonds shall be paid by the director of revenue from the share of the collections under the sales tax law retained by the director of revenue for the benefit of the state.

15. The director of revenue shall annually report on his or her management of each trust fund which is created under the local sales tax law and administration of each local sales tax imposed under the local sales tax law. He or she shall provide each taxing entity imposing one or more local sales taxes authorized by the local sales tax law with a detailed accounting of the source of all funds received by him for the taxing entity. Notwithstanding any other provisions of law, the state auditor shall annually audit each trust fund. A copy of the

director's report and annual audit shall be forwarded to each taxing entity imposing one or more local sales taxes.

16. Within the boundaries of any taxing entity where one or more local sales taxes have been imposed, if any person is delinquent in the payment of the amount required to be paid by him or her under the local sales tax law or in the event a determination has been made against him or her for taxes and penalty under the local sales tax law, the limitation for bringing suit for the collection of the delinquent tax and penalty shall be the same as that provided in sections 144.010 to 144.525. Where the director of revenue has determined that suit must be filed against any person for the collection of delinquent taxes due the state under the state sales tax law, and where such person is also delinquent in payment of taxes under the local sales tax law, the director of revenue shall notify the taxing entity in the event any person fails or refuses to pay the amount of any local sales tax due so that appropriate action may be taken by the taxing entity.

17. Where property is seized by the director of revenue under the provisions of any law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any tax imposed by the local sales tax law, the director of revenue shall permit the taxing entity to join in any sale of property to pay the delinquent taxes and penalties due the state and to the taxing entity under the local sales tax law. The proceeds from such sale shall first be

applied to all sums due the state, and the remainder, if any, shall be applied to all sums due such taxing entity.

18. If a local sales tax has been in effect for at least one year under the provisions of the local sales tax law and voters approve reimposition of the same local sales tax at the same rate at an election as provided for in the local sales tax law prior to the date such tax is due to expire, the tax so reimposed shall become effective the first day of the first calendar quarter after the director receives a certified copy of the ordinance, order or resolution accompanied by a map clearly showing the boundaries thereof and the results of such election, provided that such ordinance, order or resolution and all necessary accompanying materials are received by the director at least thirty days prior to the expiration of such tax. Any administrative cost or expense incurred by the state as a result of the provisions of this subsection shall be paid by the city or county reimposing such tax.

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the following order until used, against:

(1) The annual tax on gross premium receipts of insurance companies in chapter 148;

(2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section 148.030;

(3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;

(4) The tax on other financial institutions in chapter 148;

(5) The corporation franchise tax in chapter 147;

(6) The state income tax in chapter 143; and

(7) The annual tax on gross receipts of express companies in chapter 153.

2. For proposals approved pursuant to section 32.110:

(1) The amount of the tax credit shall not exceed fifty percent of the total amount contributed during the taxable year by the business firm or, in the case of a financial institution, where applicable, during the relevant income period in programs approved pursuant to section 32.110;

(2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy percent may be allowed for contributions to programs where activities fall within the scope of special program priorities as defined with the approval of the governor in regulations promulgated by the director of the department of economic development;

(3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for contributions to programs located in any community shall be equal to seventy percent of the total amount contributed where such community is a city, town or village which has fifteen thousand or less inhabitants as of the last decennial census and is located in a county which is either located in:

(a) An area that is not part of a standard metropolitan statistical area;

(b) A standard metropolitan statistical area but such county has only one city, town or village which has more than fifteen thousand inhabitants; or

(c) A standard metropolitan statistical area and a substantial number of persons in such county derive their income from agriculture. Such community may also be in an unincorporated area in such county as provided in subdivision (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit of the combined federal and state tax savings to the taxpayer exceed the amount contributed by the taxpayer during the tax year;

(4) Such tax credit allocation, equal to seventy percent of the total amount contributed, shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit allocation is committed, the tax credit allocation for such programs shall then be equal to fifty percent credit of the total amount contributed. Regulations establishing special program priorities are to be promulgated during the first month of each fiscal year and at such times during the year as the public interest dictates. Such credit shall not exceed two hundred and fifty thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit shall be approved for any bank, bank and trust company, insurance company, trust company, national bank, savings association, or building and loan association for activities that are a part of its normal course of business. Any tax credit not used in the period the contribution was made may be carried over the next five succeeding calendar or fiscal years until the full credit

has been claimed. Except as otherwise provided for proposals approved pursuant to section 32.111, 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed pursuant to sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six million shall be credits allowed pursuant to section 135.460. If six million dollars in credits are not approved, then the remaining credits may be used for programs approved pursuant to sections 32.100 to 32.125;

(5) The credit may exceed two hundred fifty thousand dollars annually and shall not be limited if community services, crime prevention, education, job training, physical revitalization or economic development, as defined by section 32.105, is rendered in an area defined by federal or state law as an impoverished, economically distressed, or blighted area or as a neighborhood experiencing problems endangering its existence as a viable and stable neighborhood, or if the community services, crime prevention, education, job training, physical revitalization or economic development is limited to impoverished persons.

3. For proposals approved pursuant to section 32.111:

(1) The amount of the tax credit shall not exceed fifty-five percent of the total amount invested in affordable housing assistance activities or market rate housing in distressed communities as defined in section 135.530 by a business firm. Whenever such investment is made in the form of an equity investment or a loan, as opposed to a donation alone,

tax credits may be claimed only where the loan or equity investment is accompanied by a donation which is eligible for federal income tax charitable deduction, and where the total value of the tax credits herein plus the value of the federal income tax charitable deduction is less than or equal to the value of the donation. Any tax credit not used in the period for which the credit was approved may be carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed. If the affordable housing units or market rate housing units in distressed communities for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated basis in proportion to the ratio of the number of square feet devoted to the affordable housing units or market rate housing units in distressed communities, for purposes of determining the amount of the tax credit. The total amount of tax credit granted for programs approved pursuant to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million dollars, to be increased by no more than two million dollars each succeeding fiscal year, until the total tax credits that may be approved reaches ten million dollars in any fiscal year;

(2) For any year during the compliance period indicated in the land use restriction agreement, the owner of the affordable housing rental units for which a credit is being claimed shall certify to the commission that all tenants renting claimed units are income eligible for affordable housing units and that the

rentals for each claimed unit are in compliance with the provisions of sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit the records and accounts of the owner to verify such certification;

(3) In the case of owner-occupied affordable housing units, the qualifying owner occupant shall, before the end of the first year in which credits are claimed, certify to the commission that the occupant is income eligible during the preceding two years, and at the time of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further certify to the commission, before the end of the first year in which credits are claimed, that during the compliance period indicated in the land use restriction agreement, the cost of the affordable housing unit to the occupant for the claimed unit can reasonably be projected to be in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant acquiring the affordable housing unit during the compliance period indicated in the land use restriction agreement shall make the same certification;

(4) If at any time during the compliance period the commission determines a project for which a proposal has been approved is not in compliance with the applicable provisions of sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one hundred fifty days of notice to the owner either seek injunctive enforcement action against the owner, or seek legal damages against the owner representing the value of the tax credits, or foreclose on the lien in the land

use restriction agreement, selling the project at a public sale, and paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax credits allowed herein. The commission shall remit to the director of revenue the portion of the legal damages collected or the sale proceeds representing the value of the tax credits. However, except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for tax credits shall not be revoked.

4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall not exceed fifty-five percent of the total amount contributed to a neighborhood organization by business firms. Any tax credit not used in the period for which the credit was approved may be carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed. The total amount of tax credit granted for programs approved pursuant to section 32.112 shall not exceed one million dollars for each fiscal year.

5. The total amount of tax credits used for market rate housing in distressed communities pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all tax credits authorized pursuant to sections 32.111 and 32.112.

6. Notwithstanding any provision of law to the contrary, except as provided under subsection 7 of this section, no tax credits provided under sections 32.100 to 32.125 shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair

the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

7. Notwithstanding any provision of law to the contrary, no tax credits provided under the development tax credit program created pursuant to sections 32.100 to 32.125 shall be authorized on or after the effective date of this act. The provisions of this subsection shall not be construed to limit or impair the department's ability to issue tax credits authorized prior to the effective date of this act, or a taxpayer's ability to redeem such tax credits.

32.383. 1. Notwithstanding the provisions of any other law to the contrary, with respect to taxes administered by the department of revenue and imposed in chapters 143 and 144, an amnesty from the assessment or payment of all penalties, additions to tax, and interest shall apply with respect to unpaid taxes or taxes due and owing reported and paid in full from September 1, 2011, to November 30, 2011, regardless of whether previously assessed, except for penalties, additions to tax, and interest paid before September 1, 2011. The amnesty shall apply only to state tax liabilities due or due but unpaid on or before December 31, 2010, and shall not extend to any taxpayer who at the time of payment is a party to any criminal investigations or to any civil or criminal litigation that is pending in any court of the United States or this state for nonpayment, delinquency, or fraud in relation to any state tax imposed by this state.

2. Upon written application by the taxpayer, on forms prescribed by the director of revenue, and upon compliance with the provisions of this section, the department of revenue shall not seek to collect any penalty, addition to tax, or interest that may be applicable. The department of revenue shall not seek civil or criminal prosecution for any taxpayer for the taxable period for which the amnesty has been granted, unless subsequent investigation or audit shows that the taxpayer engaged in fraudulent or criminal conduct in applying for amnesty.

3. Amnesty shall be granted only to those taxpayers who have applied for amnesty within the period stated in this section, who have filed a tax return for each taxable period for which amnesty is requested, who have paid the entire balance due within sixty days of approval by the department of revenue, and who agree to comply with state tax laws for the next eight years from the date of the agreement. No taxpayer shall be entitled to a waiver of any penalty, addition to tax, or interest under this section unless full payment of the tax due is made in accordance with rules established by the director of revenue.

4. All taxpayers granted amnesty under this section shall comply with this state's tax laws for the eight years following the date of the amnesty agreement. If any such taxpayer fails to comply with all of this state's tax laws at any time during the eight years following the date of the agreement, all penalties, additions to tax, and interest that were waived under the amnesty agreement shall become due and owing immediately.

5. If a taxpayer elects to participate in the amnesty program established in this section as evidenced by full payment of the tax due as established by the director of revenue, that election shall constitute an express and absolute relinquishment of all administrative and judicial rights of appeal. No tax payment received under this section shall be eligible for refund or credit.

6. Nothing in this section shall be interpreted to disallow the department of revenue to adjust a taxpayer's tax return as a result of any state or federal audit.

7. All tax payments received as a result of the amnesty program established in this section, other than revenues earmarked by state law, shall be deposited in the state general revenue fund.

8. The department may promulgate rules as are necessary to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after July 1, 2011, shall be invalid and void.

32.385. 1. The director of revenue and the commissioner

of administration may jointly enter into a reciprocal collection and offset of indebtedness agreement with the federal government, under which the State will offset from state tax refunds and from payments otherwise due to vendors and contractors providing goods or services to state departments, agencies, or other state agencies non-tax debt owed to the federal government; and the federal government will offset from federal payments to vendors, contractors, and taxpayers debt owed to the state of Missouri.

2. When used in this section, the following terms shall mean:

(1) "Federal official", a unit or official of the federal government charged with the collection of non-tax liabilities payable to the federal government under 31 U.S.C. section 3716;

(2) "Non-tax liability due the state", a liability certified to the director of revenue by a state agency which shall include, but shall not be limited to, fines, fees, penalties, and other non-tax assessments imposed by, or payable to, any state agency that is finally determined to be due and owing;

(3) "Offset agreement", the agreement authorized by this section;

(4) "Person", an individual, partnership, society, association, joint stock company, corporation, public corporation, or any public authority, estate, receiver, trustee, assignee, referee, any other person acting in a fiduciary or representative capacity whether appointed by a court or

otherwise, or any combination thereof;

(5) "Refund", an amount described as a refund of tax under the provisions of state tax law that authorized its payment;

(6) "State agency", any department, division, board, commission, office, or other agency of the state of Missouri;

(7) "Vendor payment", any payment, other than a refund, made by the state to any person or entity which shall include, but not be limited to, any expense reimbursement to an employee of the state. The term "vendor payment" shall not include a person's salary, wages, or pension.

3. Under the offset agreement, a federal official may:

(1) Certify to the state of Missouri the existence of a person's delinquent non-tax liability owed by such person to the federal government;

(2) Request that the state of Missouri withhold any refund or vendor payment to which such person is entitled;

(3) Certify and request the state of Missouri to withhold a refund or vendor payment only if the laws of the United States:

(a) Allow the state of Missouri to enter into a reciprocal agreement with the United States, under which the federal official would be authorized to offset federal payments to collect delinquent tax and non-tax debts owed to the state; and

(b) Provide for the payment of the amount withheld to the state;

(4) Retain a portion of the proceeds of any collection setoff as provided under the offset agreement.

4. Under the offset agreement, a certification by a

federal official to the state of Missouri shall include:

(1) The full name of the person and any other names known to be used by such person;

(2) The social security number or federal tax identification number of such person;

(3) The amount of the non-tax liability; and

(4) A statement that the debt is past due and legally enforceable in the amount certified.

5. If a person for whom a certification is received from a federal official is due a refund of Missouri tax or a vendor payment, the agreement may provide that the state of Missouri shall:

(1) Withhold such refund or vendor payment;

(2) In accordance with the provisions of the offset agreement, notify such person of the amount withheld in satisfaction of a liability certified by a federal official;

(3) Pay to the federal official the lesser of:

(a) The entire refund or vendor payment; or

(b) The amount certified; and

(4) Pay any refund or vendor payment in excess of the certified amount to the person.

6. Under the agreement, the director of revenue shall:

(1) Certify to a federal official the existence of a person's delinquent tax or non-tax liability due the state;

(2) Request that the federal official withhold any eligible vendor payment to which the person is entitled; and

(3) Provide for the payment of the amount withheld to the

state.

7. Any certification by a state agency to the director of revenue, or by the director of revenue to a federal official under the offset agreement shall include:

(1) The full name and address of the person and any other names known to be used by such person;

(2) The social security number or tax identification number of such person;

(3) The amount of the tax or non-tax liability;

(4) A statement that the debt is past due and legally enforceable in the amount certified; and

(5) Any other information required by federal law or regulation applicable to the collection of the debt by offset of federal payments.

8. Any other provisions of law to the contrary notwithstanding, the director of revenue and the commissioner of administration shall have the authority to enter into reciprocal agreements with any other state which extends a like comity to this state to set off from state tax refunds and from payments otherwise due to vendors and contractors providing goods or services to state departments, agencies, or other state agencies non-tax debt for debts due the such state.

32.410. As used in sections 32.410 to 32.460, the following terms shall mean:

(1) "Debt", an amount owed to the state directly or through a state agency, on account of a fee, duty, lease, direct loan, loan insured or guaranteed by the state, rent, service,

sale of real or personal property, overpayment, fine, assessment, penalty, restitution, damages, interest, tax, bail bond, forfeiture, reimbursement, liability owed, an assignment, recovery of costs incurred by the state, or any other source of indebtedness to the state;

(2) "Debtor", an individual, a corporation, a partnership, an unincorporated association, a limited liability company, a trust, an estate, or any other public or private entity, including a state, local, or federal government, or an Indian tribe, that is liable for a debt or against whom there is a claim for a debt;

(3) "Department", the department of revenue;

(4) "State agency", any division, board, commission, office, or other agency of the state of Missouri, including public community college districts and any state or municipal court.

32.420. 1. Notwithstanding any other provision of law to the contrary, all state agencies may refer to the department for collection debts owed to them. The department may provide collection services on debts referred to the department by a state agency. This authority shall not supersede the authority granted to the attorney general pursuant to section 27.060 or any other statute.

2. A referring agency may refer the debt to the department for collection at any time after a debt becomes delinquent and uncontested and the debtor shall have no further administrative appeal of the amount of the debt. Methods and procedures for

referral shall be governed by an agreement between the referring agency and the department.

3. The collection procedures and remedies under this chapter are in addition to any other procedure or remedy available by law. If the state agency's applicable state or federal law requires the use of a particular remedy or procedure for the collection of a debt, that particular remedy or procedure shall govern the collection of that debt to the extent the procedure or remedy is inconsistent with this chapter.

4. The state agency shall send notice to the debtor by United States mail at the debtor's last known address at least twenty days before the debt is referred to the department. The notice shall state the nature and amount of the debt, identify to whom the debt is owed, and inform the debtor of the remedies available under this chapter or the state agency's own procedures.

32.430. 1. Except as otherwise provided in this section, the department shall have the authority to use all general remedies afforded creditors of this state in collection of debt as well as any remedies afforded the state agency referring the debt and to the state in general as a creditor. The department shall not have authority to prosecute or defend civil actions on behalf of any other state agency, except as necessary to defend any challenges made to actions pursuant to sections 143.902 or 143.910 for a debt referred by a state agency or to prosecute an action pursuant to subsection 10 of section 104.910.

2. In addition to the remedies identified in sections

32.410 to 32.460, the department may use the collection remedies afforded under sections 143.902 and 140.910 in the collection of any state debt referred to the department.

3. The department may employ department staff and attorneys, and at the department's discretion, prosecuting attorneys and private collection agencies as authorized in sections 136.150 and 140.850 in seeking collection of debts referred to the department by a state agency.

32.440. 1. The department shall add to the amount of debt referred to the department by a state agency the cost of collection which shall be ten percent of the total debt referred by the state agency. The department shall have the same authority to collect the cost of collection as the department has in collecting the debt referred by the state agency.

2. The cost of collection shall only be waived when:

(1) Within thirty days after the initial notice to the debtor by the department, the debtor establishes to the department reasonable cause for the failure to pay the debt prior to referral of the debt to the department, enters into an agreement satisfactory to the department to pay the debt in full, and fully abides by the terms of that agreement;

(2) A good faith dispute as to the legitimacy or the amount of the debt exists, and payment is remitted or an agreement satisfactory to the department to pay the debt in full is entered into within thirty days after resolution of the dispute, and the debtor fully abides by the terms of that agreement; or

(3) Collection costs have been added by the state agency and are included in the amount of the referred debt.

3. If the department collects an amount less than the total due, the payment shall be applied proportionally to collection costs and the underlying debt unless the department has waived this requirement for certain categories of debt. Collection costs collected by the department under this section shall be deposited in the general revenue fund.

32.450. The department may compromise state debt referred to the department in accordance with section 32.378 and any agreement with the referring agency.

32.460. The department and state agencies, including the judiciary, may exchange such information, including the debtor's Social Security number, as is necessary for the successful collection of the state debt referred. The referring state agency shall follow all applicable federal and state laws regarding the confidentiality of information and records regarding the debtor. The confidentiality laws applicable to the particular information received and retained by each agency shall apply to the employees of such state agency and to the department when such information has been forwarded to the department.

67.2050. 1. As used in this section, unless the context clearly indicates otherwise, the following terms shall mean:

(1) "Facility", a location composed of real estate, buildings, fixtures, machinery, and equipment;

(2) "Municipality", any county, city, incorporated town,

or village of the state;

(3) "NAICS", the 2007 edition of the North American Industry Classification System developed under the direction and guidance of the federal Office of Management and Budget. Any NAICS sector, subsector, industry group, or industry identified in this section shall include its corresponding classification in previous and subsequent federal industry classification systems;

(4) "Technology business facility", a facility purchased, constructed, extended, or improved under this section, provided that such business facility is engaged in:

(a) Wired telecommunications carriers (NAICS 517110);

(b) Data processing, hosting, and related services (NAICS 518210); or

(c) Internet publishing and broadcasting and web search portals (NAICS 519130), at the business facility;

(5) "Technology business facility project" or "project", the purchase, construction, extension, and improvement of technology business facilities, whether of the facility as a whole or of any one or more of the facility's components of real estate, buildings, fixtures, machinery, and equipment.

2. The governing body of any municipality may:

(1) Carry out technology business facility projects for economic development under this section;

(2) Accept grants from the federal and state governments for technology business facility project purposes, and may enter into such agreements as are not contrary to the laws of this

state and which may be required as a condition of grants by the federal government or its agencies; and

(3) Receive gifts and donations from private sources to be used for technology business facility project purposes.

3. The governing body of the municipality may enter into loan agreements, sell, lease, or mortgage to private persons, partnerships, or corporations any one or more of the components of a facility received, purchased, constructed, or extended by the municipality for development of a technology business facility project. The loan agreement, installment sale agreement, lease, or other such document shall contain such other terms as are agreed upon between the municipality and the obligor, provided that such terms shall be consistent with this section. When, in the judgment of the governing body of the municipality, the technology business facility project will result in economic benefits to the municipality, the governing body may lawfully enter into an agreement that includes nominal monetary consideration to the municipality in exchange for the use of one or more components of the facility.

4. Transactions involving the lease or rental of any components of a project under this section shall be specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or payable under the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745.

5. Leasehold interests granted and held under this section shall not be subject to property taxes.

6. Any payments in lieu of taxes expected to be made by any lessee of the project shall be applied in accordance with this section. The lessee may reimburse the municipality for its actual costs of administering the plan. All amounts paid in excess of such actual costs shall, immediately upon receipt thereof, be disbursed by the municipality's treasurer or other financial officer to each affected taxing entity in proportion to the current ad valorem tax levy of each affected taxing entity.

7. The county assessor shall include the current assessed value of all property within the affected taxing entities in the aggregate valuation of assessed property entered upon the assessor's book and verified under section 137.245, and such value shall be used for the purpose of the debt limitation on local government under section 26(b), article VI, Constitution of Missouri.

8. The governing body of any municipality may sell or otherwise dispose of the property, buildings, or plants acquired under this section to private persons or corporations for technology business facility project purposes upon approval by the governing body. The terms and method of the sale or other disposal shall be established by the governing body so as to reasonably protect the economic well-being of the municipality and to promote the development of technology business facility projects. A private person or corporation that initially

transfers property to the municipality for the purposes of a technology business facility project and does not charge a purchase price to the municipality shall retain the right, upon request to the municipality, to have the municipality retransfer the donated property to the person or corporation at no cost.

9. The provisions of this section shall not be construed to allow political subdivisions to provide telecommunications services or telecommunications facilities to the extent that they are prohibited from doing so by section 392.410.

67.3000. 1. As used in this section and section 67.3005, the following words shall mean:

(1) "Active Member", an organization located in the state of Missouri, which solicits and services sports events, sports organizations, and other types of sports-related activities in that community;

(2) "Applicant" or "applicants", one or more certified sponsors, endorsing counties, endorsing municipalities, or a local organizing committee, acting individually or collectively;

(3) "Certified sponsor" or "certified sponsors", a nonprofit organization which is an active member of the National Association of Sports Commissions;

(4) "Department", the Missouri department of economic development;

(5) "Director", the director of revenue;

(6) "Eligible costs", shall include:

(a) Costs necessary for conducting the sporting event;

(b) Costs relating to the preparations necessary for the

conduct of the sporting event; and

(c) An applicant's pledged obligations to the site selection organization as evidenced by the support contract for the sporting event.

Eligible costs shall not include any cost associated with the rehabilitation or construction of any facilities used to host the sporting event, but may include costs associated with the retrofitting of a facility necessary to accommodate the sporting event and direct payments to a for-profit site selection organization;

(7) "Eligible donation", donations received, by a certified sponsor or local organizing committee, from a taxpayer that may include cash, publically traded stocks and bonds, and real estate that will be valued and documented according to rules promulgated by the department. Such donations shall be used solely to provide funding to attract sporting events to this state;

(8) "Endorsing municipality" or "endorsing municipalities", any city, town, incorporated village, or county that contains a site selected by a site selection organization for one or more sporting events;

(9) "Joinder agreement", an agreement entered into by one or more applicants, acting individually or collectively, and a site selection organization setting out representations and assurances by each applicant in connection with the selection of a site in this state for the location of a sporting event;

(10) "Joinder undertaking", an agreement entered into by one or more applicants, acting individually or collectively, and a site selection organization that each applicant will execute a joinder agreement in the event that the site selection organization selects a site in this state for a sporting event;

(11) "Local organizing committee", a nonprofit corporation or its successor in interest that:

(a) Has been authorized by one or more certified sponsors, endorsing municipalities, or endorsing counties, acting individually or collectively, to pursue an application and bid on its or the applicant's behalf to a site selection organization for selection as the site of one or more sporting events; or

(b) With the authorization of one or more certified sponsors, endorsing municipalities, or endorsing counties, acting individually or collectively, executes an agreement with a site selection organization regarding a bid to host one or more sporting events;

(12) "Site selection organization", the National Collegiate Athletic Association (NCAA); an NCAA member conference, university, or institution; the National Association of Intercollegiate Athletics (NAIA); the United States Olympic Committee (USOC); a national governing body (NGB) or international federation of a sport recognized by the USOC; the United States Golf Association (USGA); the United States Tennis Association (USTA); the Amateur Softball Association of America (ASA); other major regional, national, and international sports

associations, and amateur organizations that promote, organize, or administer sporting games, or competitions; or other major regional, national, and international organizations that promote or organize sporting events;

(13) "Sporting event" or "sporting events", an amateur sporting event that is competitively bid;

(14) "Support contract" or "support contracts", an event award notification, joinder undertaking, joinder agreement, or contract executed by an applicant and a site selection organization;

(15) "Tax credit" or "tax credits", a credit or credits issued by the department against the tax otherwise due under chapter 143 or 148, excluding withholding tax imposed by sections 143.191 to 143.265;

(16) "Taxpayer", any of the following individuals or entities who make an eligible donation:

(a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed in chapter 143;

(b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

(c) An insurance company paying an annual tax on its gross premium receipts in this state;

(d) Any other financial institution paying taxes to the state of Missouri or any political subdivision of this state under chapter 148;

(e) An individual subject to the state income tax imposed in chapter 143;

(f) Any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

2. An applicant may submit a copy of a support contract for a sporting event to the department. Within sixty days of receipt of the sporting event support contract, the department may review the applicant's support contract and certify such support contract if it complies with the requirements of this section. Upon certification of the support contract by the department, the applicant may be authorized to receive the tax credit under subsection 4 of this section.

3. No more than thirty days following the conclusion of the sporting event, the applicant shall submit eligible costs and documentation of the costs evidenced by receipts, paid invoices, or other documentation in a manner prescribed by the department.

4. No later than seven days following the conclusion of the sporting event, the department, in consultation with the director, may determine the total number of tickets sold at face value for such event. No later than sixty days following the receipt of eligible costs and documentation of such costs from the applicant as required in subsection 3 of this section, the department may issue a refundable tax credit to the applicant for the lesser of one hundred percent of eligible costs incurred

by the applicant or an amount equal to five dollars for every admission ticket sold to such event. Tax credits authorized by this section may be claimed against taxes imposed by chapters 143 and 148 and shall be claimed within one year of the close of the taxable year for which the credits were issued. Tax credits authorized by this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department.

5. In no event shall the amount of tax credits issued by the department under subsection 4 of this section exceed three million dollars in any fiscal year.

6. An applicant shall provide any information necessary as determined by the department for the department and the director to fulfill the duties required by this section. At any time upon the request of the state of Missouri, a certified sponsor shall subject itself to an audit conducted by the state.

7. This section shall not be construed as creating or requiring a state guarantee of obligations imposed on an endorsing municipality under a support contract or any other agreement relating to hosting one or more sporting events in this state.

8. The department shall only certify an applicant's support contract for a sporting event in which the site selection organization has yet to select a location for the sporting event as of the effective date of this act. Support

contracts shall not be certified by the department after August 28, 2017, provided that the support contracts may be certified prior to August 28, 2017, for sporting events that will be held after such date.

9. The department may promulgate rules as necessary to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.

67.3005. 1. For all taxable years beginning on or after January 1, 2011, any taxpayer shall be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148 excluding withholding tax imposed by sections 143.191 to 143.265 in an amount equal to fifty percent of the amount of an eligible donation, subject to the restrictions in this section. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by this section from claiming in a tax

year shall not be refundable, but may be carried forward to any of the taxpayer's four subsequent taxable years.

2. To claim the credit authorized in this section, a certified sponsor or local organizing committee shall submit to the department an application for the tax credit authorized by this section on behalf of taxpayers. The department shall verify that the applicant has submitted the following items accurately and completely:

(1) A valid application in the form and format required by the department;

(2) A statement attesting to the eligible donation received, which shall include the name and taxpayer identification number of the individual making the eligible donation, the amount of the eligible donation, and the date the eligible donation was received; and

(3) Payment from the certified sponsor or local organizing committee equal to the value of the tax credit for which application is made.

If the certified sponsor or local organizing committee applying for the tax credit meets all criteria required by this subsection, the department shall issue a certificate in the appropriate amount.

3. Tax credits issued under this section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit shall have the same rights in the credit as the taxpayer. Whenever a certificate is assigned, transferred,

sold, or otherwise conveyed, a notarized endorsement shall be filed with the department specifying the name and address of the new owner of the tax credit or the value of the credit. In no event shall the amount of tax credits issued by the department under this section exceed ten million dollars in any fiscal year.

4. The department shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.

5. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2011, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and (3) This section shall terminate on September

first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.

99.1205. 1. This section shall be known and may be cited as the "Distressed Areas Land Assemblage Tax Credit Act".

2. As used in this section, the following terms mean:

(1) "Acquisition costs", the purchase price for the eligible parcel, costs of environmental assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant structures or any portion thereof, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for a period of five years after the acquisition of such eligible parcel. Acquisition costs shall not include costs for title insurance and survey, attorney's fees, relocation costs, fines, or bills from a municipality;

(2) "Applicant", any person, firm, partnership, trust, limited liability company, or corporation which has:

(a) Incurred, within an eligible project area, acquisition costs for the acquisition of land sufficient to satisfy the requirements under subdivision (8) of this subsection; and

(b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal authority, as a redeveloper or similar designation, under an economic incentive law, to redevelop an urban renewal area or a redevelopment area that includes all of an eligible project area or whose redevelopment plan or redevelopment area, which encompasses all of an eligible project area, has been approved or adopted under

an economic incentive law. In addition to being designated the redeveloper, the applicant shall have been designated to receive economic incentives only after the municipal authority has considered the amount of the tax credits in adopting such economic incentives as provided in subsection 8 of this section. The redevelopment agreement shall provide that:

a. The funds generated through the use or sale of the tax credits issued under this section shall be used to redevelop the eligible project area;

b. No more than seventy-five percent of the urban renewal area identified in the urban renewal plan or the redevelopment area identified in the redevelopment plan may be redeveloped by the applicant; and

c. The remainder of the urban renewal area or the redevelopment area shall be redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;

(3) "Certificate", a tax credit certificate issued under this section;

(4) "Condemnation proceedings", any action taken by, or on behalf of, an applicant to initiate an action in a court of competent jurisdiction to use the power of eminent domain to acquire a parcel within the eligible project area. Condemnation proceedings shall include any and all actions taken after the submission of a notice of intended acquisition to an owner of a parcel within the eligible project area by a municipal authority

or any other person or entity under section 523.250;

(5) "Department", the Missouri department of economic development;

(6) "Economic incentive laws", any provision of Missouri law pursuant to which economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land, such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment projects approved or adopted which include the use of economic incentives to redevelop the land. Economic incentive laws include, but are not limited to, the land clearance for redevelopment authority law under sections 99.300 to 99.660, the real property tax increment allocation redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation program under sections 99.1080 to 99.1092;

(7) "Eligible parcel", a parcel:

(a) Which is located within an eligible project area;

(b) Which is to be redeveloped;

(c) On which the applicant has not commenced construction prior to November 28, 2007;

(d) Which has been acquired without the commencement of any condemnation proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel acquired by the applicant from a municipal authority shall not constitute an eligible parcel; and

(e) On which all outstanding taxes, fines, and bills

levied by municipal governments that were levied by the municipality during the time period that the applicant held title to the eligible parcel have been paid in full;

(8) "Eligible project area", an area which shall have satisfied the following requirements:

(a) The eligible project area shall consist of at least seventy-five acres and may include parcels within its boundaries that do not constitute an eligible parcel;

(b) At least eighty percent of the eligible project area shall be located within a Missouri qualified census tract area, as designated by the United States Department of Housing and Urban Development under 26 U.S.C. Section 42, or within a distressed community as that term is defined in section 135.530;

(c) The eligible parcels acquired by the applicant within the eligible project area shall total at least fifty acres, which may consist of contiguous and noncontiguous parcels;

(d) The average number of parcels per acre in an eligible project area shall be four or more;

(e) Less than five percent of the acreage within the boundaries of the eligible project area shall consist of owner-occupied residences which the applicant has identified for acquisition under the urban renewal plan or the redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section on the date of the approval or adoption of such plan;

(9) "Interest costs", interest, loan fees, and closing

costs. Interest costs shall not include attorney's fees;

(10) "Maintenance costs", costs of boarding up and securing vacant structures, costs of removing trash, and costs of cutting grass and weeds;

(11) "Municipal authority", any city, town, village, county, public body corporate and politic, political subdivision, or land trust of this state established and authorized to own land within the state;

(12) "Municipality", any city, town, village, or county;

(13) "Parcel", a single lot or tract of land, and the improvements thereon, owned by, or recorded as the property of, one or more persons or entities;

(14) "Redeveloped", the process of undertaking and carrying out a redevelopment plan or urban renewal plan pursuant to which the conditions which provided the basis for an eligible project area to be included in a redevelopment plan or urban renewal plan are to be reduced or eliminated by redevelopment or rehabilitation; and

(15) "Redevelopment agreement", the redevelopment agreement or similar agreement into which the applicant entered with a municipal authority and which is the agreement for the implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section; and such appointment or selection shall have been approved by an ordinance of the governing body of the municipality, or municipalities, or in the case of any

city not within a county, the board of aldermen, in which the eligible project area is located. The redevelopment agreement shall include a time line for redevelopment of the eligible project area. The redevelopment agreement shall state that the named developer shall be subject to the provisions of chapter 290.

3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, in an amount equal to fifty percent of the acquisition costs, and one hundred percent of the interest costs incurred **[**for a period of five years**]** after the acquisition of an eligible parcel. No tax credits shall be issued under this section until after January 1, 2008.

4. If the amount of such tax credit exceeds the total tax liability for the year in which the applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be carried forward for credit against the taxes imposed under chapters 143, 147, and 148 for the succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits granted to a partnership, a limited liability company taxed as a partnership, or multiple owners of property shall be passed through to the partners, members, or owners respectively pro rata or pursuant to an executed agreement among the partners, members, or owners documenting an

alternate distribution method.

5. A purchaser, transferee, or assignee of the tax credits authorized under this section may use acquired tax credits to offset up to one hundred percent of the tax liabilities otherwise imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265. A seller, transferor, or assignor shall perfect such transfer by notifying the department in writing within thirty calendar days following the effective date of the transfer and shall provide any information as may be required by the department to administer and carry out the provisions of this section.

6. To claim tax credits authorized under this section, an applicant shall submit to the department an application for a certificate. An applicant shall identify the boundaries of the eligible project area in the application. The department shall verify that the applicant has submitted a valid application in the form and format required by the department. The department shall verify that the municipal authority held the requisite hearings and gave the requisite notices for such hearings in accordance with the applicable economic incentive act, and municipal ordinances. On **[**an annual**]** quarterly basis, an applicant may file for the tax credit for the acquisition costs, and for the tax credit for the interest costs, subject to the limitations of this section. If an applicant applying for the tax credit meets the criteria required under this section, the department shall issue a certificate in the appropriate amount. The department shall issue certificates on a first-come first-

serve basis. If an applicant receives a tax credit for maintenance costs as a part of the applicant's acquisition costs, the department shall post on its Internet website the amount and type of maintenance costs and a description of the redevelopment project for which the applicant received a tax credit within thirty days after the department issues the certificate to the applicant.

7. The total aggregate amount of tax credits authorized under this section shall not exceed ninety-five million dollars. [At no time shall] For all years ending on or before December 31, 2011, the annual amount of the tax credits issued under this section shall not exceed twenty million dollars. For all years beginning on or after January 1, 2012, the annual amount of the tax credits issued under this section shall not exceed fifteen million dollars. [If the tax credits that are to be issued under this section exceed, in any year, the twenty million dollar limitation, the department shall either:

(1) Issue tax credits to the applicant in the amount of twenty million dollars limitation, if there is only one applicant entitled to receive tax credits in that year; or

(2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits in that year.] Any amount of tax credits, which an applicant is, or applicants are, entitled to receive [on an annual basis and are] ,that is not issued due to the [twenty million dollar] applicable annual limitation on tax credit issuance, shall be carried forward for the benefit of the applicant or applicants to subsequent years.

No tax credits provided under this section shall be authorized after August 28, 2013. Any tax credits which have been authorized on or before August 28, 2013, but not issued, may be issued, subject to the limitations provided under this subsection, until all such authorized tax credits have been issued.

8. Upon issuance of any tax credits pursuant to this section, the department shall report to the municipal authority the applicant's name and address, the parcel numbers of the eligible parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for which tax credits were issued, and the total value of the tax credits issued. The municipal authority and the state shall not consider the amount of the tax credits as an applicant's cost, but shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created for the purpose of awarding other economic incentives. The amount of the tax credits shall not be considered an applicant's cost in the evaluation of the amount of any award of any other economic incentives, but shall be considered in measuring the reasonableness of the rate of return to the applicant with respect to such award of other economic incentives. The municipal authority shall provide the report to any relevant commission, board, or entity responsible for the evaluation and recommendation or approval of other economic incentives to assist in the redevelopment of the eligible project area. Tax credits authorized under this section shall constitute

redevelopment tax credits, as such term is defined under section 135.800, and shall be subject to all provisions applicable to redevelopment tax credits provided under sections 135.800 to 135.830.

9. The department may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

100.286. 1. Within the discretion of the board, the development and reserve fund, the infrastructure development fund or the export finance fund may be pledged to secure the payment of any bonds or notes issued by the board, or to secure the payment of any loan made by the board or a participating lender which loan:

(1) Is requested to finance any project or export trade activity;

(2) Is requested by a borrower who is demonstrated to be financially responsible;

(3) Can reasonably be expected to provide a benefit to the

economy of this state;

(4) Is otherwise secured by a mortgage or deed of trust on real or personal property or other security satisfactory to the board; provided that loans to finance export trade activities may be secured by export accounts receivable or inventories of exportable goods satisfactory to the board;

(5) Does not exceed five million dollars;

(6) Does not have a term longer than five years if such loan is made to finance export trade activities; and

(7) Is, when used to finance export trade activities, made to small or medium size businesses or agricultural businesses, as may be defined by the board.

2. The board shall prescribe standards for the evaluation of the financial condition, business history, and qualifications of each borrower and the terms and conditions of loans which may be secured, and may require each application to include a financial report and evaluation by an independent certified public accounting firm, in addition to such examination and evaluation as may be conducted by any participating lender.

3. Each application for a loan secured by the development and reserve fund, the infrastructure development fund or the export finance fund shall be reviewed in the first instance by any participating lender to whom the application was submitted. If satisfied that the standards prescribed by the board are met and that the loan is otherwise eligible to be secured by the development and reserve fund, the infrastructure development fund or the export finance fund, the participating lender shall

certify the same and forward the application for final approval to the board.

4. The securing of any loans by the development and reserve fund, the infrastructure development fund or the export finance fund shall be conditioned upon approval of the application by the board, and receipt of an annual reserve participation fee, as prescribed by the board, submitted by or on behalf of the borrower.

5. The securing of any loan by the export finance fund for export trade activities shall be conditioned upon the board's compliance with any applicable treaties and international agreements, such as the general agreement on tariffs and trade and the subsidies code, to which the United States is then a party.

6. Any taxpayer, including any charitable organization that is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, may, subject to the limitations provided under subsection 8 of this section, receive a tax credit against any tax otherwise due under the provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148, in the amount of fifty percent of any amount contributed in money or property by the taxpayer to the development and reserve fund, the infrastructure development fund or the export finance fund during the taxpayer's tax year, provided, however, the total tax credits awarded in any calendar year beginning after January 1,

1994, shall not be the greater of ten million dollars or five percent of the average growth in general revenue receipts in the preceding three fiscal years. This limit may be exceeded only upon joint agreement by the commissioner of administration, the director of the department of economic development, and the director of the department of revenue that such action is essential to ensure retention or attraction of investment in Missouri. If the board receives, as a contribution, real property, the contributor at such contributor's own expense shall have two independent appraisals conducted by appraisers certified by the Master Appraisal Institute. Both appraisals shall be submitted to the board, and the tax credit certified by the board to the contributor shall be based upon the value of the lower of the two appraisals. The board shall not certify the tax credit until the property is deeded to the board. Such credit shall not apply to reserve participation fees paid by borrowers under sections 100.250 to 100.297. The portion of earned tax credits which exceeds the taxpayer's tax liability may be carried forward for up to five years.

7. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 6 of this section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the assignor for the purpose of this subsection, may sell, assign, exchange or otherwise transfer earned tax credits:

(1) For no less than seventy-five percent of the par value

of such credits; and

(2) In an amount not to exceed one hundred percent of annual earned credits. The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148. Unused credits in the hands of the assignee may be carried forward for up to five years, provided all such credits shall be claimed within ten years following the tax years in which the contribution was made. The assignor shall enter into a written agreement with the assignee establishing the terms and conditions of the agreement and shall perfect such transfer by notifying the board in writing within thirty calendar days following the effective day of the transfer and shall provide any information as may be required by the board to administer and carry out the provisions of this section. Notwithstanding any other provision of law to the contrary, the amount received by the assignor of such tax credit shall be taxable as income of the assignor, and the excess of the par value of such credit over the amount paid by the assignee for such credit shall be taxable as income of the assignee.

8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding, no more than ten million dollars in tax credits provided under this section, may be authorized or approved annually. The limitation on tax credit authorization

and approval provided under this subsection may be exceeded only upon mutual agreement, evidenced by a signed and properly notarized letter, by the commissioner of the office of administration, the director of the department of economic development, and the director of the department of revenue that such action is essential to ensure retention or attraction of investment in Missouri provided, however, that in no case shall more than twenty-five million dollars in tax credits be authorized or approved during such year. Taxpayers shall file, with the board, an application for tax credits authorized under this section on a form provided by the board. The provisions of this subsection shall not be construed to limit or in any way impair the ability of the board to authorize tax credits for issuance for projects authorized or approved, by a vote of the board, on or before the thirtieth day following the effective date of this act, or a taxpayer's ability to redeem such tax credits.

9. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2014. The provisions of this subsection shall not be construed to limit or in any way impair the board's ability to issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such tax credits.

100.297. 1. The board may authorize a tax credit, as described in this section, to the owner of any revenue bonds or notes issued by the board pursuant to the provisions of sections 100.250 to 100.297, for infrastructure facilities as defined in

subdivision (9) of section 100.255, if, prior to the issuance of such bonds or notes, the board determines that:

(1) The availability of such tax credit is a material inducement to the undertaking of the project in the state of Missouri and to the sale of the bonds or notes;

(2) The loan with respect to the project is adequately secured by a first deed of trust or mortgage or comparable lien, or other security satisfactory to the board.

2. Upon making the determinations specified in subsection 1 of this section, the board may declare that each owner of an issue of revenue bonds or notes shall be entitled, in lieu of any other deduction with respect to such bonds or notes, to a tax credit against any tax otherwise due by such owner pursuant to the provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred percent of the unpaid principal of and unpaid interest on such bonds or notes held by such owner in the taxable year of such owner following the calendar year of the default of the loan by the borrower with respect to the project. The occurrence of a default shall be governed by documents authorizing the issuance of the bonds. The tax credit allowed pursuant to this section shall be available to the original owners of the bonds or notes or any subsequent owner or owners thereof. Once an owner is entitled to a claim, any such tax credits shall be transferable as provided in subsection 7 of section 100.286. Notwithstanding

any provision of Missouri law to the contrary, any portion of the tax credit to which any owner of a revenue bond or note is entitled pursuant to this section which exceeds the total income tax liability of such owner of a revenue bond or note shall be carried forward and allowed as a credit against any future taxes imposed on such owner within the next ten years pursuant to the provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148. The eligibility of the owner of any revenue bond or note issued pursuant to the provisions of sections 100.250 to 100.297 for the tax credit provided by this section shall be expressly stated on the face of each such bond or note. The tax credit allowed pursuant to this section shall also be available to any financial institution or guarantor which executes any credit facility as security for bonds issued pursuant to this section to the same extent as if such financial institution or guarantor was an owner of the bonds or notes, provided however, in such case the tax credits provided by this section shall be available immediately following any default of the loan by the borrower with respect to the project. In addition to reimbursing the financial institution or guarantor for claims relating to unpaid principal and interest, such claim may include payment of any unpaid fees imposed by such financial institution or guarantor for use of the credit facility.

3. The aggregate principal amount of revenue bonds or notes outstanding at any time with respect to which the tax credit provided in this section shall be available shall not

exceed fifty million dollars.

4. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2014. The provisions of this subsection shall not be construed to limit or in any way impair the board's ability to issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such tax credits.

100.850. 1. The approved company shall remit to the board a job development assessment fee, not to exceed five percent of the gross wages of each eligible employee whose job was created as a result of the economic development project, or not to exceed ten percent if the economic development project is located within a distressed community as defined in section 135.530, for the purpose of retiring bonds which fund the economic development project.

2. Any approved company remitting an assessment as provided in subsection 1 of this section shall make its payroll books and records available to the board at such reasonable times as the board shall request and shall file with the board documentation respecting the assessment as the board may require.

3. Any assessment remitted pursuant to subsection 1 of this section shall cease on the date the bonds are retired.

4. Any approved company which has paid an assessment for debt reduction shall be allowed a tax credit equal to the amount of the assessment. The tax credit may be claimed against taxes otherwise imposed by chapters 143 and 148, except withholding

taxes imposed under the provisions of sections 143.191 to 143.265, which were incurred during the tax period in which the assessment was made.

5. In no event shall the aggregate amount of tax credits authorized by subsection 4 of this section exceed twenty-five million dollars annually. Of such amount, nine hundred fifty thousand dollars shall be reserved for an approved project for a world headquarters of a business whose primary function is tax return preparation that is located in any home rule city with more than four hundred thousand inhabitants and located in more than one county, which amount reserved shall end in the year of the final maturity of the certificates issued for such approved project.

6. The director of revenue shall issue a refund to the approved company to the extent that the amount of credits allowed in subsection 4 of this section exceeds the amount of the approved company's income tax.

7. Notwithstanding any provision of law to the contrary, no tax credits provided under sections 100.700 to 100.850 shall be authorized on or after August 28, 2017. The provisions of this subsection shall not be construed to limit or in any way impair the board's ability to issue tax credits authorized prior to August 28, 2017, or a taxpayer's ability to redeem such tax credits.

105.716. 1. Any investigation, defense, negotiation, or compromise of any claim covered by sections 105.711 to 105.726 shall be conducted by the attorney general; provided, that in

the case of any claim against the department of conservation, the department of transportation or a public institution which awards baccalaureate degrees, or any officer or employee of such department or such institution, any investigation, defense, negotiation, or compromise of any claim covered by sections 105.711 to 105.726 shall be conducted by legal counsel provided by the respective entity against which the claim is made or which employs the person against whom the claim is made. In the case of any payment from the state legal expense fund based upon a claim or judgment against the department of conservation, the department of transportation or any officer or employee thereof, the department so affected shall immediately transfer to the state legal expense fund from the department funds a sum equal to the amount expended from the state legal expense fund on its behalf.

2. All persons and entities protected by the state legal expense fund shall cooperate with the attorneys conducting any investigation and preparing any defense under the provisions of sections 105.711 to 105.726 by assisting such attorneys in all respects, including the making of settlements, the securing and giving of evidence, and the attending and obtaining witness to attend hearings and trials. Funds in the state legal expense fund shall not be used to pay claims and judgments against those persons and entities who do not cooperate as required by this subsection.

3. The provisions of sections 105.711 to 105.726 notwithstanding, the attorney general may investigate, defend,

negotiate, or compromise any claim covered by sections 105.711 to 105.726 against any public institution which awards baccalaureate degrees whose governing body has declared a state of financial exigency.

4. Notwithstanding the provisions of subsection 2 of section 105.711, funds in the state legal expense fund may be expended prior to the payment of any claim or any final judgment to pay costs of defense, including reasonable attorney's fees for retention of legal counsel, when the attorney general determines that a conflict exists or particular expertise is required, and also to pay for related legal expenses including medical examination fees, expert witness fees, court reporter expenses, travel costs and ancillary legal expenses incurred prior to the payment of a claim or any final judgment.

5. Notwithstanding any other provision of law to the contrary, except for payments of less than ten thousand dollars for property damage, no funds shall be expended from the state legal expense fund for settlement of any liability claim except upon the production of a no tax due statement from the department of revenue by the party making claim or having judgment under section 105.711, which shall be satisfied from such fund. If the party is found by the director of revenue to owe a delinquent tax debt to the state of Missouri under the revenue laws of this state, after the payment of attorneys fees and expenses associated with liability of the fund to the party, any remaining funds to be paid to the party from the state legal expense fund shall be offset to satisfy such tax debt before

payment is made to the party making claim or having judgment.

135.010. As used in sections 135.010 to 135.030 the following words and terms mean:

(1) "Claimant", a person or persons claiming a credit under sections 135.010 to 135.030. If the persons are eligible to file a joint federal income tax return and reside at the same address at any time during the taxable year, then the credit may only be allowed if claimed on a combined Missouri income tax return or a combined claim return reporting their combined incomes and property taxes. A claimant shall not be allowed a property tax credit unless the claimant or spouse has attained the age of sixty-five on or before the last day of the calendar year and the claimant or spouse was a resident of Missouri for the entire year, or the claimant or spouse is a veteran of any branch of the armed forces of the United States or this state who became one hundred percent disabled as a result of such service, or the claimant or spouse is disabled as defined in subdivision (2) of this section, and such claimant or spouse provides proof of such disability in such form and manner, and at such times, as the director of revenue may require, or if the claimant has reached the age of sixty on or before the last day of the calendar year and such claimant received surviving spouse Social Security benefits during the calendar year and the claimant provides proof, as required by the director of revenue, that the claimant received surviving spouse Social Security benefits during the calendar year for which the credit will be claimed. A claimant shall not be allowed a property tax credit

if the claimant filed a valid claim for a credit under section 137.106 in the year following the year for which the property tax credit is claimed. The residency requirement shall be deemed to have been fulfilled for the purpose of determining the eligibility of a surviving spouse for a property tax credit if a person of the age of sixty-five years or older who would have otherwise met the requirements for a property tax credit dies before the last day of the calendar year. The residency requirement shall also be deemed to have been fulfilled for the purpose of determining the eligibility of a claimant who would have otherwise met the requirements for a property tax credit but who dies before the last day of the calendar year;

(2) "Disabled", the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months. A claimant shall not be required to be gainfully employed prior to such disability to qualify for a property tax credit;

(3) **[**"Gross rent", amount paid by a claimant to a landlord for the rental, at arm's length, of a homestead during the calendar year, exclusive of charges for health and personal care services and food furnished as part of the rental agreement, whether or not expressly set out in the rental agreement. If the director of revenue determines that the landlord and tenant have not dealt at arm's length, and that the gross rent is excessive, then he shall determine the gross rent based upon a

reasonable amount of rent. Gross rent shall be deemed to be paid only if actually paid prior to the date a return is filed. The director of revenue may prescribe regulations requiring a return of information by a landlord receiving rent, certifying for a calendar year the amount of gross rent received from a tenant claiming a property tax credit and shall, by regulation, provide a method for certification by the claimant of the amount of gross rent paid for any calendar year for which a claim is made. The regulations authorized by this subdivision may require a landlord or a tenant or both to provide data relating to health and personal care services and to food. Neither a landlord nor a tenant may be required to provide data relating to utilities, furniture, home furnishings or appliances;

(4)**]** "Homestead", the dwelling in Missouri owned **[**or rented**]** by the claimant and not to exceed five acres of land surrounding it as is reasonably necessary for use of the dwelling as a home. It may consist of part of a multidwelling or multipurpose building and part of the land upon which it is built. "Owned" includes a vendee in possession under a land contract and one or more tenants by the entireties, joint tenants, or tenants in common and includes a claimant actually in possession if he was the immediate former owner of record, if a lineal descendant is presently the owner of record, and if the claimant actually pays all taxes upon the property. It may include a mobile home;

[(5)**]** (4) "Income", Missouri adjusted gross income as defined in section 143.121 less two thousand dollars, or in the

case of a homestead owned and occupied, for the entire year, by the claimant, less four thousand dollars as an exemption for the claimant's spouse residing at the same address, and increased, where necessary, to reflect the following:

(a) Social Security, railroad retirement, and veterans payments and benefits unless the claimant is a one hundred percent service-connected, disabled veteran or a spouse of a one hundred percent service-connected, disabled veteran. The one hundred percent service-connected disabled veteran shall not be required to list veterans payments and benefits;

(b) The total amount of all other public and private pensions and annuities;

(c) Public relief, public assistance, and unemployment benefits received in cash, other than benefits received under this chapter;

(d) No deduction being allowed for losses not incurred in a trade or business;

(e) Interest on the obligations of the United States, any state, or any of their subdivisions and instrumentalities;

[(6)**]** (5) "Property taxes accrued", property taxes paid, exclusive of special assessments, penalties, interest, and charges for service levied on a claimant's homestead in any calendar year. Property taxes shall qualify for the credit only if actually paid prior to the date a return is filed. The director of revenue shall require a tax receipt or other proof of property tax payment. If a homestead is owned only partially by claimant, then "property taxes accrued" is that part of

property taxes levied on the homestead which was actually paid by the claimant. For purposes of this subdivision, property taxes are "levied" when the tax roll is delivered to the director of revenue for collection. If a claimant owns a homestead part of the preceding calendar year and rents it or a different homestead for part of the same year, "property taxes accrued" means only taxes levied on the homestead both owned and occupied by the claimant, multiplied by the percentage of twelve months that such property was owned and occupied as the homestead of the claimant during the year. When a claimant owns and occupies two or more different homesteads in the same calendar year, property taxes accrued shall be the sum of taxes allocable to those several properties occupied by the claimant as a homestead for the year. If a homestead is an integral part of a larger unit such as a farm, or multipurpose or multidwelling building, property taxes accrued shall be that percentage of the total property taxes accrued as the value of the homestead is of the total value. For purposes of this subdivision "unit" refers to the parcel of property covered by a single tax statement of which the homestead is a part**[**;

(7) "Rent constituting property taxes accrued", twenty percent of the gross rent paid by a claimant and spouse in the calendar year**]**.

135.025. 1. The property taxes accrued **[**and rent constituting property taxes accrued**]** on each return shall be totaled. This total, up to **[**seven hundred fifty dollars in rent constituting property taxes actually paid or**]** eleven hundred

dollars in actual property tax paid, shall be used in determining the property tax credit. The director of revenue shall prescribe regulations providing for allocations where part of a claimant's homestead is rented to another or used for nondwelling purposes or where a homestead is owned **[**or rented**]** or used as a dwelling for part of a year.

2. The director of the department of revenue shall calculate the amount of property tax credit that was attributable to renters in fiscal year 2011. Beginning with the budget request for fiscal year 2013, the director of the department of revenue shall annually request that such amount be appropriated from the general revenue fund to the Missouri senior services protection fund. The money in the Missouri senior services protection fund shall be appropriated for the Missouri Rx plan under section 208.782, for services for seniors through the area agencies on aging, and other programs for low income seniors.

3. There is hereby created in the state treasury the "Missouri Senior Services Protection Fund" which shall consist of money collected under this section. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, money in the fund shall be used solely for the administration of this section. Notwithstanding the provisions of section 33.080, to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit

of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

135.030. 1. As used in this section:

(1) The term "maximum upper limit" shall, for each calendar year after December 31, 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For all calendar years beginning on or after January 1, 2008, the maximum upper limit shall be the sum of twenty-seven thousand five hundred dollars. In the case of a homestead owned and occupied for the entire year by the claimant, the maximum upper limit shall be the sum of thirty thousand dollars;

(2) The term "minimum base" shall, for each calendar year after December 31, 1997, but before calendar year 2008, be the sum of thirteen thousand dollars. For all calendar years beginning on or after January 1, 2008, the minimum base shall be the sum of fourteen thousand three hundred dollars.

2. If the income on a return is equal to or less than the maximum upper limit for the calendar year for which the return is filed, the property tax credit shall be determined from a table of credits based upon the amount by which the total property tax described in section 135.025 exceeds the percent of income in the following list:

If the income on the return is:	The percent is:
Not over the minimum base	0 percent with credit not to exceed $1,100

	in actual property tax [or rent equivalent] paid [up to $750]
Over the minimum base but not over the maximum upper limit	1/16 percent accumulative per $300 from 0 percent to 4 percent.

The director of revenue shall prescribe a table based upon the preceding sentences. The property tax shall be in increments of twenty-five dollars and the income in increments of three hundred dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the basis of the property tax and income at the midpoints of each increment. As used in this subsection, the term "accumulative" means an increase by continuous or repeated application of the percent to the income increment at each three hundred dollar level.

3. Notwithstanding subsection 4 of section 32.057, the department of revenue or any duly authorized employee or agent shall determine whether any taxpayer filing a report or return with the department of revenue who has not applied for the credit allowed pursuant to section 135.020 may qualify for the credit, and shall notify any qualified claimant of the claimant's potential eligibility, where the department determines such potential eligibility exists.

4. Notwithstanding any provision of law to the contrary, no tax credits provided under sections 135.010 to 135.030 shall

be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

135.090. 1. As used in this section, the following terms mean:

(1) "Homestead", the dwelling in Missouri owned by the surviving spouse and not exceeding five acres of land surrounding it as is reasonably necessary for use of the dwelling as a home. As used in this section, "homestead" shall not include any dwelling which is occupied by more than two families;

(2) "Public safety officer", any firefighter, police officer, capitol police officer, parole officer, probation officer, correctional employee, water patrol officer, park ranger, conservation officer, commercial motor enforcement officer, emergency medical technician, first responder, or highway patrolman employed by the state of Missouri or a political subdivision thereof who is killed in the line of duty, unless the death was the result of the officer's own misconduct or abuse of alcohol or drugs;

(3) "Surviving spouse", a spouse, who has not remarried, of a public safety officer.

2. For all tax years beginning on or after January 1, 2008, a surviving spouse shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax

imposed by sections 143.191 to 143.265, in an amount equal to the total amount of the property taxes on the surviving spouse's homestead paid during the tax year for which the credit is claimed. A surviving spouse may claim the credit authorized under this section for each tax year beginning the year of death of the public safety officer spouse until the tax year in which the surviving spouse remarries. No credit shall be allowed for the tax year in which the surviving spouse remarries. If the amount allowable as a credit exceeds the income tax reduced by other credits, then the excess shall be considered an overpayment of the income tax.

3. The department of revenue shall promulgate rules to implement the provisions of this section.

4. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

5. **[**Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August

28, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.**]** Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program authorized under this section are hereby reauthorized and shall automatically sunset on August 28, 2015.

135.155. 1. Notwithstanding any provision of the law to the contrary, no revenue-producing enterprise other than headquarters as defined in subsection 10 of section 135.110 shall receive the incentives set forth in sections 135.100 to 135.150 for facilities commencing operations on or after January 1, 2005. No headquarters shall receive the incentives set forth in subsections 9 to 14 of section 135.110 for facilities commencing or expanding operations on or after **[**January 1, 2020**]** August 28, 2017.

2. Notwithstanding subsection 9 of section 135.110 to the contrary, expansions at headquarters facilities shall each be considered a separate new business facility and each be entitled to the credits as set forth in subsections 9 to 14 of section 135.110 if the number of new business facility employees attributed to each such expansion is at least twenty-five and

the amount of new business facility investment attributed to each such expansion is at least one million dollars. In any year in which a new business facility is not created, the jobs and investment for that year shall be included in calculating the credits for the most recent new business facility and not an earlier created new business facility.

3. Notwithstanding any provision of law to the contrary, for headquarters, buildings on multiple noncontiguous real properties shall be considered one facility if the buildings are located within the same county or within the same municipality.

135.326. As used in sections 135.325 to 135.339, the following terms shall mean:

(1) "Business entity", person, firm, a partner in a firm, corporation or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state under the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state pursuant to chapter 153;

(2) "Handicap", a mental, physical, or emotional impairment that substantially limits one or more major life activities, whether the impairment is congenital or acquired by accident, injury or disease, and where the impairment is

verified by medical findings;

(3) "Nonrecurring adoption expenses", reasonable and necessary adoption fees, court costs, attorney fees, and other expenses which are directly related to the legal adoption of a special needs child and which are not incurred in violation of federal, state, or local law. "Nonrecurring adoption expenses" shall not include expenses incurred as a result of an international adoption;

(4) "Special needs child", a child for whom it has been determined by the division of family services, or by a child-placing agency licensed by the state, or by a court of competent jurisdiction to be a child:

(a) That cannot or should not be returned to the home of his or her parents; and

(b) Who has a specific factor or condition such as ethnic background, age, membership in a minority or sibling group, medical condition, or handicap because of which it is reasonable to conclude that such child cannot be easily placed with adoptive parents;

(5) "State tax liability", any liability incurred by a taxpayer under the provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions.

135.327. 1. As used in this section, the following terms shall mean:

(1) "CASA", an entity which receives funding from the

court-appointed special advocate fund established under section 476.777, including an association based in this state, affiliated with a national association, organized to provide support to entities receiving funding from the court-appointed special advocate fund;

(2) "Child advocacy centers", the regional child assessment centers listed in subsection 2 of section 210.001;

(3) "Contribution", amount of donation to qualified agency;

(4) "Crisis care center", entities contracted with this state which provide temporary care for children whose age ranges from birth through seventeen years of age whose parents or guardian are experiencing an unexpected and unstable or serious condition that requires immediate action resulting in short-term care, usually three to five continuous, uninterrupted days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

(5) "Department", the department of revenue;

(6) "Director", the director of the department of revenue;

(7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

(8) "Tax liability", the tax due under chapter 143 other than taxes withheld under sections 143.191 to 143.265.

2. Any person residing in this state who legally adopts a special needs child on or after January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied to taxes due under

chapter 143. Any business entity providing funds to an employee to enable that employee to legally adopt a special needs child shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied to taxes due under such business entity's state tax liability, except that only one ten thousand dollar credit is available for each special needs child that is adopted.

3. Any person residing in this state who proceeds in good faith with the adoption of a special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under chapter 143; provided, however, that beginning on or after July 1, 2004, two million dollars of the tax credits allowed shall be allocated for the adoption of special needs children who are residents or wards of residents of this state at the time the adoption is initiated. Any business entity providing funds to an employee to enable that employee to proceed in good faith with the adoption of a special needs child shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under such business entity's state tax liability, except that only one ten thousand dollar credit is available for each special needs child that is adopted.

4. Individuals and business entities may claim a tax credit for their total nonrecurring adoption expenses in each

year that the expenses are incurred. A claim for fifty percent of the credit shall be allowed when the child is placed in the home. A claim for the remaining fifty percent shall be allowed when the adoption is final. The total of these tax credits shall not exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for nonrecurring adoption expenses shall not be more than four million dollars but may be increased by appropriation in any fiscal year beginning on or after July 1, 2004; provided, however, that by December thirty-first following each July, if less than two million dollars in credits have been issued for adoption of special needs children who are not residents or wards of residents of this state at the time the adoption is initiated, the remaining amount of the cap shall be available for the adoption of special needs children who are residents or wards of residents of this state at the time the adoption is initiated. For all fiscal years beginning on or after July 1, 2006, applications to claim the adoption tax credit for special needs children who are residents or wards of residents of this state at the time the adoption is initiated shall be filed between July first and April fifteenth of each fiscal year. For all fiscal years beginning on or after July 1, 2006, applications to claim the adoption tax credit for special needs

children who are not residents or wards of residents of this state at the time the adoption is initiated shall be filed between July first and December thirty-first of each fiscal year.

5. Notwithstanding any provision of law to the contrary, any individual or business entity may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount sold.

6. The director of revenue shall establish a procedure by which, for each fiscal year, the cumulative amount of tax credits authorized in this section is equally apportioned among all taxpayers within the two categories specified in subsection 3 of this section claiming the credit in that fiscal year. To the maximum extent possible, the director of revenue shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers within each category can claim all the tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

7. For all tax years beginning on or after January 1, 2006, a tax credit may be claimed in an amount equal to up to fifty percent of a verified contribution to a qualified agency and shall be named the children in crisis tax credit. The minimum amount of any tax credit issued shall not be less than fifty dollars and shall be applied to taxes due under chapter 143, excluding sections 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by the agency

receiving the contribution. Such contribution verification shall include the taxpayer's name, Social Security number, amount of tax credit, amount of contribution, the name and address of the agency receiving the credit, and the date the contribution was made. The tax credit provided under this subsection shall be initially filed for the year in which the verified contribution is made.

8. The cumulative amount of the tax credits redeemed shall not exceed the unclaimed portion of the resident adoption category allocation as described in this section. The director of revenue shall determine the unclaimed portion available. The amount available shall be equally divided among the three qualified agencies: CASA, child advocacy centers, or crisis care centers to be used towards tax credits issued. In the event tax credits claimed under one agency do not total the allocated amount for that agency, the unused portion for that agency will be made available to the remaining agencies equally. In the event the total amount of tax credits claimed for any one agency exceeds the amount available for that agency, the amount redeemed shall and will be apportioned equally to all eligible taxpayers claiming the credit under that agency. After all children in crisis tax credits have been claimed, any remaining unclaimed portion of the reserved allocation for adoptions of special needs children who are residents or wards of residents of this state shall then be made available for adoption tax credit claims of special needs children who are not residents or wards of residents of this state at the time the adoption is

initiated.

9. Prior to December thirty-first of each year, the entities listed under the definition of qualified agency shall apply to the department of social services in order to verify their qualified agency status. Upon a determination that the agency is eligible to be a qualified agency, the department of social services shall provide a letter of eligibility to such agency. No later than February first of each year, the department of social services shall provide a list of qualified agencies to the department of revenue. All tax credit applications to claim the children in crisis tax credit shall be filed between July first and April fifteenth of each fiscal year. A taxpayer shall apply for the children in crisis tax credit by attaching a copy of the contribution verification provided by a qualified agency to such taxpayer's income tax return.

10. The tax credits provided under this section shall be subject to the provisions of section 135.333.

11. (1) In the event a credit denial, due to lack of available funds, causes a balance-due notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer will not be held liable for any penalty or interest, provided the balance is paid, or approved payment arrangements have been made, within sixty days from the notice of denial.

(2) In the event the balance is not paid within sixty days from the notice of denial, the remaining balance shall be due and payable under the provisions of chapter 143.

12. The director shall calculate the level of appropriation necessary to issue all tax credits for nonresident special needs adoptions applied for under this section and provide such calculation to the speaker of the house of representatives, the president pro tempore of the senate, and the director of the division of budget and planning in the office of administration by January thirty-first of each year.

13. The department may promulgate such rules or regulations as are necessary to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.

14. **[**Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under subsections 7 to 12 of this section shall automatically sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program

authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.**]** Notwithstanding any provision of law to the contrary, no tax credits provided under sections 135.325 to 135.339 shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

135.350. As used in this section, unless the context clearly requires otherwise, the following words and phrases shall mean:

(1) "Commission", the Missouri housing development commission, or its successor agency;

(2) "Director", director of the department of revenue;

(3) "Eligibility statement", a statement authorized and issued by the commission certifying that a given project qualifies for the Missouri low-income housing tax credit. The commission shall promulgate rules establishing criteria upon which the eligibility statements will be issued. The eligibility statement shall specify the amount of the Missouri low-income housing tax credit allowed. The commission shall only authorize the tax credits to qualified projects which begin

after June 18, 1991;

(4) "Federal credit period", the same meaning as is prescribed the term "credit period" under section 42 of the 1986 Internal Revenue Code, as amended;

(5) "Federal low-income housing tax credit", the federal tax credit as provided in section 42 of the 1986 Internal Revenue Code, as amended;

[(5)**]** (6) "Low-income project", a housing project which has restricted rents that do not exceed thirty percent of median income for at least forty percent of its units occupied by persons of families having incomes of sixty percent or less of the median income, or at least twenty percent of the units occupied by persons or families having incomes of fifty percent or less of the median income;

[(6)**]** (7) "Median income", those incomes which are determined by the federal Department of Housing and Urban Development guidelines and adjusted for family size;

[(7)**]** (8) "Qualified Missouri project", a qualified low-income building as that term is defined in section 42 of the 1986 Internal Revenue Code, as amended, which is located in Missouri;

[(8)**]** (9) "Taxpayer", person, firm or corporation subject to the state income tax imposed by the provisions of chapter 143 (except withholding imposed by sections 143.191 to 143.265) or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its gross premium receipts in

this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state under the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, subject to the limitations provided under the provisions of subsection 3 of this section, be allowed a state tax credit, whether or not allowed a federal tax credit, to be termed the Missouri low-income housing tax credit, if the commission issues an eligibility statement for that project.

2. For qualified Missouri projects placed in service after January 1, 1997, the Missouri low-income housing tax credit available to a project shall be such amount as the commission shall determine is necessary to ensure the feasibility of the project, up to an amount equal to the federal low-income housing tax credit for a qualified Missouri project, for a federal **[**tax**]** credit period, and such amount shall be subtracted from the amount of state tax otherwise due for the same tax period.

3. No more than six million dollars in tax credits shall be authorized each fiscal year ending on or before June 30, 2011, for projects financed through tax-exempt bond issuance.

4. For purposes of the limitations provided under this subsection, the aggregate amount of tax credits allowed over a federal credit period shall be attributed to the fiscal year in which such credits are authorized by the commission for a qualified Missouri project. For each fiscal year beginning on or after July 1, 2011, there shall be a one hundred ten million

dollar cap on tax credit authorizations for projects which are not financed through tax exempt bond issuance. For each fiscal year beginning on or after July 1, 2011, but ending on or before June 30, 2015, there shall be a twenty million dollar cap on tax credit authorizations for projects which are financed through tax exempt bond issuance. No tax credits shall be authorized after June 30, 2015, for projects financed through tax-exempt bond issuance.

5. The Missouri low-income housing tax credit shall be taken against the taxes and in the order specified pursuant to section 32.115. The credit authorized by this section shall not be refundable. Any amount of credit that exceeds the tax due for a taxpayer's taxable year may be carried back to any of the taxpayer's three prior taxable years or carried forward to any of the taxpayer's five subsequent taxable years. For projects authorized on or after July 1, 2011, any amount of credit that exceeds the tax due for a taxpayer's taxable year may be carried forward to any of the taxpayer's five subsequent taxable years or carried back to any of the taxpayer's two prior taxable years.

[5.**]** 6. All or any portion of Missouri tax credits issued in accordance with the provisions of sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify to the director the amount of credit allocated to each taxpayer. The owner of the project shall provide to the director

appropriate information so that the low-income housing tax credit can be properly allocated.

[6.**]** 7. In the event that recapture of Missouri low-income housing tax credits is required pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided in this section shall include the proportion of the state credit required to be recaptured, the identity of each taxpayer subject to the recapture and the amount of credit previously allocated to such taxpayer.

8. A taxpayer that receives state tax credits under the provisions of sections 253.545 to 253.559 shall be ineligible to receive state tax credits under the provisions of sections 135.350 to 135.363 for the same project, if such project is not financed through tax exempt bond issuance.

[7.**]** 9. The director of the department may promulgate rules and regulations necessary to administer the provisions of this section. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of section 536.024.

10. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2018. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2018, or a taxpayer's ability to redeem such tax credits.

135.460. 1. This section and sections 620.1100 and 620.1103 shall be known and may be cited as the "Youth Opportunities and Violence Prevention Act".

2. As used in this section, the term "taxpayer" shall include corporations as defined in section 143.441 or 143.471, any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, and individuals, individual proprietorships and partnerships.

3. A taxpayer shall be allowed a tax credit against the tax otherwise due pursuant to chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, chapter 147, chapter 148, or chapter 153 in an amount equal to thirty percent for property contributions and fifty percent for monetary contributions of the amount such taxpayer contributed to the programs described in subsection 5 of this section, not to exceed two hundred thousand dollars per taxable year, per taxpayer; except as otherwise provided in subdivision (5) of subsection 5 of this section. The department of economic development shall prescribe the method for claiming the tax credits allowed in this section. No rule or portion of a rule promulgated under the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of no force and effect and repealed; however, nothing in this section shall be interpreted to repeal

or affect the validity of any rule filed or adopted prior to June 27, 1997, if such rule complied with the provisions of chapter 536. The provisions of this section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, including the ability to review, to delay the effective date, or to disapprove and annul a rule or portion of a rule, are subsequently held unconstitutional, then the purported grant of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall be invalid and void.

4. The tax credits allowed by this section shall be claimed by the taxpayer to offset the taxes that become due in the taxpayer's tax period in which the contribution was made. Any tax credit not used in such tax period may be carried over the next five succeeding tax periods.

5. The tax credit allowed by this section may only be claimed for monetary or property contributions to public or private programs authorized to participate pursuant to this section by the department of economic development and may be claimed for the development, establishment, implementation, operation, and expansion of the following activities and programs:

(1) An adopt-a-school program. Components of the adopt-a-school program shall include donations for school activities, seminars, and functions; school-business employment programs; and the donation of property and equipment of the corporation to the school;

(2) Expansion of programs to encourage school dropouts to reenter and complete high school or to complete a graduate equivalency degree program;

(3) Employment programs. Such programs shall initially, but not exclusively, target unemployed youth living in poverty and youth living in areas with a high incidence of crime;

(4) New or existing youth clubs or associations;

(5) Employment/internship/apprenticeship programs in business or trades for persons less than twenty years of age, in which case the tax credit claimed pursuant to this section shall be equal to one-half of the amount paid to the intern or apprentice in that tax year, except that such credit shall not exceed ten thousand dollars per person;

(6) Mentor and role model programs;

(7) Drug and alcohol abuse prevention training programs for youth;

(8) Donation of property or equipment of the taxpayer to schools, including schools which primarily educate children who have been expelled from other schools, or donation of the same to municipalities, or not-for-profit corporations or other not-for-profit organizations which offer programs dedicated to youth violence prevention as authorized by the department;

(9) Not-for-profit, private or public youth activity centers;

(10) Nonviolent conflict resolution and mediation programs;

(11) Youth outreach and counseling programs.

6. Any program authorized in subsection 5 of this section shall, at least annually, submit a report to the department of economic development outlining the purpose and objectives of such program, the number of youth served, the specific activities provided pursuant to such program, the duration of such program and recorded youth attendance where applicable.

7. The department of economic development shall, at least annually submit a report to the Missouri general assembly listing the organizations participating, services offered and the number of youth served as the result of the implementation of this section.

8. The tax credit allowed by this section shall apply to all taxable years beginning after December 31, 1995.

9. For the purposes of the credits described in this section, in the case of a corporation described in section 143.471, partnership, limited liability company described in section 347.015, cooperative, marketing enterprise, or partnership, in computing Missouri's tax liability, such credits shall be allowed to the following:

(1) The shareholders of the corporation described in section 143.471;

(2) The partners of the partnership;

(3) The members of the limited liability company; and

(4) Individual members of the cooperative or marketing enterprise. Such credits shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the

taxpayer's tax period.

10. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed pursuant to section 135.481 in an amount not to exceed sixteen million dollars per year. Of this total amount of tax credits in any given year, eight million dollars shall be set aside for projects in areas described in subdivision (6) of section 135.478 and eight million dollars for projects in areas described in subdivision (10) of section 135.478. The maximum tax credit for a project consisting of multiple-unit qualifying residences in a distressed community shall not exceed three million dollars.

2. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years and carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit issued to a taxpayer by the department may be assigned, transferred, sold or otherwise conveyed. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the department specifying the

name and address of the new owner of the tax credit and the value of the credit.

3. The tax credits allowed pursuant to sections 135.475 to 135.487 may not be claimed in addition to any other state tax credits, with the exception of the historic structures rehabilitation tax credit authorized pursuant to sections 253.545 to 253.559, which insofar as sections 135.475 to 135.487 are concerned may be claimed only in conjunction with the tax credit allowed pursuant to subsection 4 of section 135.481. In order for a taxpayer eligible for the historic structures rehabilitation tax credit to claim the tax credit allowed pursuant to subsection 4 of section 135.481, the taxpayer must comply with the requirements of sections 253.545 to 253.559, and in such cases, the amount of the tax credit pursuant to subsection 4 of section 135.481 shall be limited to the lesser of twenty percent of the taxpayer's eligible costs or forty thousand dollars.

5. Notwithstanding any provision of law to the contrary, no tax credits provided under sections 135.475 to 135.487 shall be authorized on or after the effective date of this act. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to the effective date of this act, or a taxpayer's ability to redeem such tax credits.

135.490. 1. In order to encourage and foster community improvement, an eligible small business, as defined in Section 44 of the Internal Revenue Code, shall be allowed a credit not

to exceed five thousand dollars against the tax otherwise due pursuant to chapter 143, not including sections 143.191 to 143.265, in an amount equal to fifty percent of all eligible access expenditures exceeding the monetary cap provided by Section 44 of the Internal Revenue Code. For purposes of this section, "eligible access expenditures" means amounts paid or incurred by the taxpayer in order to comply with applicable access requirements provided by the Americans With Disabilities Act of 1990, as further defined in Section 44 of the Internal Revenue Code and federal rulings interpreting Section 44 of the Internal Revenue Code.

2. The tax credit allowed by this section shall be claimed by the taxpayer at the time such taxpayer files a return. Any amount of tax credit which exceeds the tax due shall be carried over to any subsequent taxable year, but shall not be refunded and shall not be transferable.

3. The director of the department of economic development and the director of the department of revenue shall jointly administer the tax credit authorized by this section. Both the director of the department of economic development and the director of the department of revenue are authorized to promulgate rules and regulations necessary to administer the provisions of this section. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.

4. The provisions of this section shall become effective

on January 1, 2000, and shall apply to all taxable years beginning after December 31, 1999.

5. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

135.535. 1. A corporation, limited liability corporation, partnership or sole proprietorship, which moves its operations from outside Missouri or outside a distressed community into a distressed community, or which commences operations in a distressed community on or after January 1, 1999, and in either case has more than seventy-five percent of its employees at the facility in the distressed community, and which has fewer than one hundred employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming, including Internet, web hosting, and other information technology, wireless or wired or other telecommunications or a professional firm shall receive a forty percent credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved by the department of economic development, which shall issue a certificate of eligibility if

the department determines that the taxpayer is eligible for such credit. The maximum amount of credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five thousand dollars for each of the three years for which the credit is claimed. The department of economic development, by means of rule or regulation promulgated pursuant to the provisions of chapter 536, shall assign appropriate North American Industry Classification System numbers to the companies which are eligible for the tax credits provided for in this section. Such three-year credits shall be awarded only one time to any company which moves its operations from outside of Missouri or outside of a distressed community into a distressed community or to a company which commences operations within a distressed community. A taxpayer shall file an application for certification of the tax credits for the first year in which credits are claimed and for each of the two succeeding taxable years for which credits are claimed.

2. Employees of such facilities physically working and earning wages for that work within a distressed community whose employers have been approved for tax credits pursuant to subsection 1 of this section by the department of economic development for whom payroll taxes are paid shall also be eligible to receive a tax credit against individual income tax, imposed pursuant to chapter 143, equal to one and one-half percent of their gross salary paid at such facility earned for each of the three years that the facility receives the tax credit provided by this section, so long as they were qualified

employees of such entity. The employer shall calculate the amount of such credit and shall report the amount to the employee and the department of revenue.

3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, other than the taxes withheld pursuant to sections 143.191 to 143.265, in lieu of the credit against income taxes as provided in subsection 1 of this section, may be taken by such an entity in a distressed community in an amount of forty percent of the amount of funds expended for computer equipment and its maintenance, medical laboratories and equipment, research laboratory equipment, manufacturing equipment, fiber optic equipment, high speed telecommunications, wiring or software development expense up to a maximum of seventy-five thousand dollars in tax credits for such equipment or expense per year per entity and for each of three years after commencement in or moving operations into a distressed community.

4. A corporation, partnership or sole partnership, which has no more than one hundred employees for whom payroll taxes are paid, which is already located in a distressed community and which expends funds for such equipment pursuant to subsection 3 of this section in an amount exceeding its average of the prior two years for such equipment, shall be eligible to receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148 in an amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the funds expended for such additional equipment per such entity. Tax credits

allowed pursuant to this subsection or subsection 1 of this section may be carried back to any of the three prior tax years and carried forward to any of the five tax years.

5. An existing corporation, partnership or sole proprietorship that is located within a distressed community and that relocates employees from another facility outside of the distressed community to its facility within the distressed community, and an existing business located within a distressed community that hires new employees for that facility may both be eligible for the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits, such a business, during one of its tax years, shall employ within a distressed community at least twice as many employees as were employed at the beginning of that tax year. A business hiring employees shall have no more than one hundred employees before the addition of the new employees. This subsection shall only apply to a business which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming or telecommunications business, or a professional firm.

6. Tax credits shall be approved for applicants meeting the requirements of this section in the order that such applications are received. Certificates of tax credits issued in accordance with this section may be transferred, sold or assigned by notarized endorsement which names the transferee.

7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall be for an amount of no more

than ten million dollars for each year beginning in 1999. **[**To the extent there are available tax credits remaining under the ten million dollar cap provided in this section, up to one hundred thousand dollars in the remaining credits shall first be used for tax credits authorized under section 135.562.**]** The total maximum credit for all entities already located in distressed communities and claiming credits pursuant to subsection 4 of this section shall be seven hundred and fifty thousand dollars. The department of economic development in approving taxpayers for the credit as provided for in subsection 6 of this section shall use information provided by the department of revenue regarding taxes paid in the previous year, or projected taxes for those entities newly established in the state, as the method of determining when this maximum will be reached and shall maintain a record of the order of approval. Any tax credit not used in the period for which the credit was approved may be carried over until the full credit has been allowed.

8. A Missouri employer relocating into a distressed community and having employees covered by a collective bargaining agreement at the facility from which it is relocating shall not be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be eligible for the credit in subsection 2 of this section if the relocation violates or terminates a collective bargaining agreement covering employees at the facility, unless the affected collective bargaining unit concurs with the move.

9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and 135.245, respectively, for the same business for the same tax period.

10. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after the effective date of this act. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to the effective date of this act, or a taxpayer's ability to redeem such tax credits.

135.550. 1. As used in this section, the following terms shall mean:

(1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or real property;

(2) "Shelter for victims of domestic violence", a facility located in this state which meets the definition of a shelter for victims of domestic violence pursuant to section 455.200 and which meets the requirements of section 455.220;

(3) "State tax liability", in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions, and in the case of an individual

taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143;

(4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, including any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, or an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter 143.

2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter for victims of domestic violence.

3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any tax credit that cannot

be claimed in the taxable year the contribution was made may be carried over to the next four succeeding taxable years until the full credit has been claimed.

4. Except for any excess credit which is carried over pursuant to subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence in such taxpayer's taxable year has a value of at least one hundred dollars.

5. The director of the department of social services shall determine, at least annually, which facilities in this state may be classified as shelters for victims of domestic violence. The director of the department of social services may require of a facility seeking to be classified as a shelter for victims of domestic violence whatever information is reasonably necessary to make such a determination. The director of the department of social services shall classify a facility as a shelter for victims of domestic violence if such facility meets the definition set forth in subsection 1 of this section.

6. The director of the department of social services shall establish a procedure by which a taxpayer can determine if a facility has been classified as a shelter for victims of domestic violence, and by which such taxpayer can then contribute to such shelter for victims of domestic violence and claim a tax credit. Shelters for victims of domestic violence shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be claimed by all

the taxpayers contributing to shelters for victims of domestic violence in any one fiscal year shall not exceed two million dollars.

7. The director of the department of social services shall establish a procedure by which, from the beginning of the fiscal year until some point in time later in the fiscal year to be determined by the director of the department of social services, the cumulative amount of tax credits are equally apportioned among all facilities classified as shelters for victims of domestic violence. If a shelter for victims of domestic violence fails to use all, or some percentage to be determined by the director of the department of social services, of its apportioned tax credits during this predetermined period of time, the director of the department of social services may reapportion these unused tax credits to those shelters for victims of domestic violence that have used all, or some percentage to be determined by the director of the department of social services, of their apportioned tax credits during this predetermined period of time. The director of the department of social services may establish more than one period of time and reapportion more than once during each fiscal year. To the maximum extent possible, the director of the department of social services shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

8. This section shall become effective January 1, 2000,

and shall apply to all tax years after December 31, 1999.

9. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty thousand dollars or less incurs costs for the purpose of making all or any portion of such taxpayer's principal dwelling accessible to an individual with a disability who permanently resides with the taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax liability in an amount equal to the lesser of one hundred percent of such costs or two thousand five hundred dollars per taxpayer, per tax year.

2. Any taxpayer with a federal adjusted gross income greater than thirty thousand dollars but less than sixty thousand dollars who incurs costs for the purpose of making all or any portion of such taxpayer's principal dwelling accessible to an individual with a disability who permanently resides with the taxpayer shall receive a tax credit against such taxpayer's Missouri income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand five hundred dollars per taxpayer per tax year. No taxpayer shall be eligible to receive tax credits under this section in any tax

year immediately following a tax year in which such taxpayer received tax credits under the provisions of this section.

3. Tax credits issued pursuant to this section may be refundable in an amount not to exceed two thousand five hundred dollars per tax year.

4. Eligible costs for which the credit may be claimed include:

(1) Constructing entrance or exit ramps;

(2) Widening exterior or interior doorways;

(3) Widening hallways;

(4) Installing handrails or grab bars;

(5) Moving electrical outlets and switches;

(6) Installing stairway lifts;

(7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;

(8) Modifying hardware of doors; or

(9) Modifying bathrooms.

5. The tax credits allowed, including the maximum amount that may be claimed, pursuant to this section shall be reduced by an amount sufficient to offset any amount of such costs a taxpayer has already deducted from such taxpayer's federal adjusted gross income or to the extent such taxpayer has applied any other state or federal income tax credit to such costs.

6. A taxpayer shall claim a credit allowed by this section in the same taxable year as the credit is issued, and at the time such taxpayer files his or her Missouri income tax return; provided that such return is timely filed.

7. The department may, in consultation with the department of social services, promulgate such rules or regulations as are necessary to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

8. The provisions of this section shall apply to all tax years beginning on or after January 1, 2008.

9. **[**The provisions of this section shall expire December 31, 2013.

10.**]** In no event shall the aggregate amount of all tax credits allowed pursuant to this section exceed one hundred thousand dollars in any given fiscal year. The tax credits issued pursuant to this section shall be on a first-come, first-served filing basis.

10. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the

department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

135.600. 1. As used in this section, the following terms shall mean:

(1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or real property;

(2) "Maternity home", a residential facility located in this state established for the purpose of providing housing and assistance to pregnant women who are carrying their pregnancies to term, and which is exempt from income taxation under the United States Internal Revenue Code;

(3) "State tax liability", in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265, and related provisions, and in the case of an individual taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143;

(4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, including any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter

143, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter 143.

2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a maternity home.

3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any tax credit that cannot be claimed in the taxable year the contribution was made may be carried over to the next four succeeding taxable years until the full credit has been claimed.

4. Except for any excess credit which is carried over pursuant to subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer's contribution or contributions to a maternity home or homes in such taxpayer's taxable year has a value of at least

one hundred dollars.

5. The director of the department of social services shall determine, at least annually, which facilities in this state may be classified as maternity homes. The director of the department of social services may require of a facility seeking to be classified as a maternity home whatever information is reasonably necessary to make such a determination. The director of the department of social services shall classify a facility as a maternity home if such facility meets the definition set forth in subsection 1 of this section.

6. The director of the department of social services shall establish a procedure by which a taxpayer can determine if a facility has been classified as a maternity home, and by which such taxpayer can then contribute to such maternity home and claim a tax credit. Maternity homes shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be claimed by all the taxpayers contributing to maternity homes in any one fiscal year shall not exceed two million dollars.

7. The director of the department of social services shall establish a procedure by which, from the beginning of the fiscal year until some point in time later in the fiscal year to be determined by the director of the department of social services, the cumulative amount of tax credits are equally apportioned among all facilities classified as maternity homes. If a maternity home fails to use all, or some percentage to be determined by the director of the department of social services,

of its apportioned tax credits during this predetermined period of time, the director of the department of social services may reapportion these unused tax credits to those maternity homes that have used all, or some percentage to be determined by the director of the department of social services, of their apportioned tax credits during this predetermined period of time. The director of the department of social services may establish more than one period of time and reapportion more than once during each fiscal year. To the maximum extent possible, the director of the department of social services shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

8. This section shall become effective January 1, 2000, and shall apply to all tax years after December 31, 1999.

9. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

135.630. 1. As used in this section, the following terms mean:

(1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or real property;

(2) "Director", the director of the department of social services;

(3) "Pregnancy resource center", a nonresidential facility located in this state:

(a) Established and operating primarily to provide assistance to women with crisis pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and material support, and other similar services to encourage and assist such women in carrying their pregnancies to term; and

(b) Where childbirths are not performed; and

(c) Which does not perform, induce, or refer for abortions and which does not hold itself out as performing, inducing, or referring for abortions; and

(d) Which provides direct client services at the facility, as opposed to merely providing counseling or referral services by telephone; and

(e) Which provides its services at no cost to its clients; and

(f) When providing medical services, such medical services must be performed in accordance with Missouri statute; and

(g) Which is exempt from income taxation pursuant to the Internal Revenue Code of 1986, as amended;

(4) "State tax liability", in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred by such

taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191 to 143.265 and related provisions;

(5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter 143, or any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

2. For all tax years beginning on or after January 1, 2007, a taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent of the amount such taxpayer contributed to a pregnancy resource center.

3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable year for which the credit is claimed, and such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand

dollars per taxable year. However, any tax credit that cannot be claimed in the taxable year the contribution was made may be carried over to the next four succeeding taxable years until the full credit has been claimed.

4. Except for any excess credit which is carried over pursuant to subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer's contribution or contributions to a pregnancy resource center or centers in such taxpayer's taxable year has a value of at least one hundred dollars.

5. The director shall determine, at least annually, which facilities in this state may be classified as pregnancy resource centers. The director may require of a facility seeking to be classified as a pregnancy resource center whatever information which is reasonably necessary to make such a determination. The director shall classify a facility as a pregnancy resource center if such facility meets the definition set forth in subsection 1 of this section.

6. The director shall establish a procedure by which a taxpayer can determine if a facility has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be claimed by all the taxpayers contributing to pregnancy resource centers in any one fiscal year shall not exceed two million dollars. Tax credits shall be issued in the order contributions are received.

7. The director shall establish a procedure by which, from

the beginning of the fiscal year until some point in time later in the fiscal year to be determined by the director, the cumulative amount of tax credits are equally apportioned among all facilities classified as pregnancy resource centers. If a pregnancy resource center fails to use all, or some percentage to be determined by the director, of its apportioned tax credits during this predetermined period of time, the director may reapportion these unused tax credits to those pregnancy resource centers that have used all, or some percentage to be determined by the director, of their apportioned tax credits during this predetermined period of time. The director may establish more than one period of time and reapportion more than once during each fiscal year. To the maximum extent possible, the director shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

8. Each pregnancy resource center shall provide information to the director concerning the identity of each taxpayer making a contribution to the pregnancy resource center who is claiming a tax credit pursuant to this section and the amount of the contribution. The director shall provide the information to the director of revenue. The director shall be subject to the confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax information.

9. Notwithstanding any other law to the contrary, any tax credits granted under this section may be assigned, transferred,

sold, or otherwise conveyed without consent or approval. Such taxpayer, hereinafter the assignor for purposes of this section, may sell, assign, exchange, or otherwise transfer earned tax credits:

(1) For no less than seventy-five percent of the par value of such credits; and

(2) In an amount not to exceed one hundred percent of annual earned credits.

10. **[**Pursuant to section 23.253 of the Missouri sunset act:

(1) Any new program authorized under this section shall automatically sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which a program authorized under this section is sunset.**]** Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program authorized under this section are hereby reauthorized and shall automatically sunset on August 28, 2015.

135.647. 1. As used in this section, the following terms shall mean:

(1) "Local food pantry", any food pantry that is:

(a) Exempt from taxation under section 501(c)(3) of the

Internal Revenue Code of 1986, as amended; and

(b) Distributing emergency food supplies to Missouri low-income people who would otherwise not have access to food supplies in the area in which the taxpayer claiming the tax credit under this section resides;

(2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder in an S corporation doing business in this state and subject to the state income tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

2. For all tax years beginning on or after January 1, 2007, any taxpayer who donates cash or food, unless such food is donated after the food's expiration date, to any local food pantry shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of the donations made to the extent such amounts that have been subtracted from federal adjusted gross income or federal taxable income are added back in the determination of Missouri adjusted gross income or Missouri taxable income before the credit can be claimed. Each taxpayer claiming a tax credit under this section shall file an affidavit with the income tax return verifying the amount of their contributions. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the tax year that the credit is claimed, and shall not exceed two thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit

that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be carried forward to any of the taxpayer's three subsequent taxable years. No tax credit granted under this section shall be transferred, sold, or assigned. No taxpayer shall be eligible to receive a credit pursuant to this section if such taxpayer employs persons who are not authorized to work in the United States under federal law.

3. The cumulative amount of tax credits under this section which may be allocated to all taxpayers contributing to a local food pantry in any one fiscal year shall not exceed two million dollars. The director of revenue shall establish a procedure by which the cumulative amount of tax credits is apportioned among all taxpayers claiming the credit by April fifteenth of the fiscal year in which the tax credit is claimed. To the maximum extent possible, the director of revenue shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

4. Any local food pantry may accept or reject any donation of food made under this section for any reason. For purposes of this section, any donations of food accepted by a local food pantry shall be valued at fair market value, or at wholesale value if the taxpayer making the donation of food is a retail grocery store, food broker, wholesaler, or restaurant.

5. The department of revenue shall promulgate rules to

implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

6. **[**Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset four years after August 28, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.**]** Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program authorized under this section are hereby reauthorized and shall automatically sunset on August 28, 2015.

135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax Credit Act".

2. As used in this section, the following terms mean:

(1) "Agricultural property", any real and personal property, including but not limited to buildings, structures, improvements, equipment, and livestock, that is used in or is to be used in this state by residents of this state for:

(a) The operation of a farm or ranch; and

(b) Grazing, feeding, or the care of livestock;

(2) "Authority", the agricultural and small business development authority established in chapter 348;

(3) "Backgrounded", any additional weight at the time of the first qualifying sale, before being finished, above the established baseline weight;

(4) "Baseline weight", the average weight in the immediate past three years of all beef animals sold that are thirty months of age or younger, categorized by sex. Baseline weight for qualified beef animals that are physically out-of-state but whose ownership is retained by a resident of this state shall be established by the average transfer weight in the immediate past three years of all beef animals that are thirty months of age or younger and that are transferred out-of-state but whose ownership is retained by a resident of this state, categorized by sex. The established baseline weight shall be effective for a period of three years. If the taxpayer is a qualifying beef animal producer with fewer than three years of production, the baseline weight shall be established by the

available average weight in the immediate past year of all beef animals sold that are thirty months of age or younger, categorized by sex. If the qualifying beef animal producer has no previous production, the baseline weight shall be established by the authority;

(5) "Finished", the period from backgrounded to harvest;

(6) "Qualifying beef animal", any beef animal that is certified by the authority, that was born in this state after August 28, 2008, that was raised and backgrounded or finished in this state by the taxpayer, excluding any beef animal more than thirty months of age as verified by certified written birth records;

(7) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying beef animal at the time of the subsequent sale is greater than the weight of the qualifying beef animal at the time of the first qualifying sale of such beef animal;

(8) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147;

(9) "Taxpayer", any individual or entity who:

(a) Is subject to the tax imposed in chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 147;

(b) In the case of an individual, is a resident of this state as verified by a 911 address or in the absence of a 911

system, a physical address; and

(c) Owns or rents agricultural property and principal place of business is located in this state.

3. For all taxable years beginning on or after January 1, 2009, **[**but ending on or before December 31, 2016,**]** a taxpayer shall be allowed a tax credit for the first qualifying sale and for a subsequent qualifying sale of all qualifying beef animals. The tax credit amount for the first qualifying sale shall be ten cents per pound, shall be based on the backgrounded weight of all qualifying beef animals at the time of the first qualifying sale, and shall be calculated as follows: the qualifying sale weight minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal to or greater than two hundred pounds above the baseline weight. The tax credit amount for each subsequent qualifying sale shall be ten cents per pound, shall be based on the backgrounded weight of all qualifying beef animals at the time of the subsequent qualifying sale, and shall be calculated as follows: the qualifying sale weight minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal to or greater than two hundred pounds above the baseline weight. The authority may waive no more than twenty-five percent of the two hundred pound weight gain requirement, but any such waiver shall be based on a disaster declaration issued by the U. S. Department of Agriculture.

4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable

year for which the credit is claimed. No tax credit claimed under this section shall be refundable. The tax credit shall be claimed in the taxable year in which the qualifying sale of the qualifying beef occurred, but any amount of credit that the taxpayer is prohibited by this section from claiming in a taxable year may be carried forward to any of the taxpayer's five subsequent taxable years and carried backward to any of the taxpayer's three previous taxable years. The amount of tax credits that may be issued to all eligible applicants claiming tax credits authorized in this section in a fiscal year shall not exceed three million dollars. Tax credits shall be issued on an as-received application basis until the fiscal year limit is reached. Any credits not issued in any fiscal year shall expire and shall not be issued in any subsequent years.

5. To claim the tax credit allowed under this section, the taxpayer shall submit to the authority an application for the tax credit on a form provided by the authority and any application fee imposed by the authority. The application shall be filed with the authority at the end of each calendar year in which a qualified sale was made and for which a tax credit is claimed under this section. The application shall include any certified documentation and information required by the authority. All required information obtained by the authority shall be confidential and not disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and the qualified sale meet all criteria required by this section and approval is granted by the authority, the authority shall

issue a tax credit certificate in the appropriate amount. Tax credit certificates issued under this section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit certificate shall have the same rights in the tax credit as the original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the name and address of the new owner of the tax credit certificate or the value of the tax credit.

6. Any information provided under this section shall be confidential information, to be shared with no one except state and federal animal health officials, except as provided in subsection 5 of this section.

7. The authority may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

8. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized

on or after August 28, 2014. The provisions of this subsection shall not be construed to limit or in any way impair the authority's ability to issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such tax credits.

9. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.

135.700. 1. For all tax years beginning on or after January 1, 1999, a grape grower or wine producer shall be allowed a tax credit against the state tax liability incurred pursuant to chapter 143, exclusive of the provisions relating to the withholding of tax as provided in sections 143.191 to 143.265, in an amount equal to twenty-five percent of the purchase price of all new equipment and materials used directly in the growing of grapes or the production of wine in the state. Each grower or producer shall apply to the department of economic development and specify the total amount of such new equipment and materials purchased during the calendar year. The department of economic development shall certify to the department of revenue the amount of such tax credit to which a grape grower or wine producer is entitled pursuant to this section. The provisions of this section notwithstanding, a grower or producer may only apply for and receive the credit authorized by this section for five tax periods. For all tax years beginning on or after January 1, 2012, no more than two hundred thousand dollars in tax credits provided under this section may be authorized annually.

2. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2014. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such tax credits.

135.815. 1. Prior to authorization of any tax credit application, an administering agency shall verify through the department of revenue that the tax credit applicant does not owe any delinquent income, sales, or use taxes, or interest or penalties on such taxes, and through the department of insurance, financial institutions and professional registration that the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization of the application for such tax credits, except that the amount of credits issued shall be reduced by the applicant's tax delinquency. If the department of revenue or the department of insurance, financial institutions and professional registration concludes that a taxpayer is delinquent after June fifteenth but before July first of any year, and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits towards a tax delinquency, the administering agency shall notify the appropriate department, and that department

shall update the amount of outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of other provisions of law.

2. Any applicant of a tax credit program contained in the definition of the term "all tax credit programs" who purposely and directly employs unauthorized aliens shall forfeit any tax credits issued to such applicant which have not been redeemed, and shall repay the amount of any tax credits redeemed by such applicant during the period of time such unauthorized alien was employed by the applicant. As used in this subsection, the term "unauthorized alien" shall mean an alien who does not have the legal right or authorization under federal law to work in the United States, as defined under Section 8 U.S.C. 1324a(h)(3).

3. Any administering agency may, by rule, provide for the recapture of tax credits for noncompliance with program requirements.

135.825. 1. The administering agencies for all tax credit programs shall, in cooperation with the department of revenue, implement a system for tracking the amount of tax credits authorized, issued, and redeemed. Any such agency may promulgate rules for the implementation of this section.

2. The provisions of subsection 1 of this section shall not apply to any credit that is issued and redeemed simultaneously.

3. The committee on legislative research shall conduct a

review of any tax credit program, in the manner provided under the provisions of sections 23.250 to 23.298, by September first of the calendar year prior to the year in which tax credit authorizations or issuances will be prohibited for such tax credit program.

4. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be invalid and void.

135.950. The following terms, whenever used in sections 135.950 to **[**135.970**]** 135.973 mean:

(1) "Average wage", the new payroll divided by the number of new jobs;

(2) "Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an

economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use. The term "blighted area" shall also include any area which produces or generates or has the potential to produce or generate electrical energy from a renewable energy resource, and which, by reason of obsolescence, decadence, blight, dilapidation, deteriorating or inadequate site improvements, substandard conditions, the predominance **[**or**]** <u>of</u> defective or inadequate street layout, unsanitary or unsafe conditions, improper subdivision or obsolete platting, or the existence of conditions which endanger the life or property by fire or other means, or any combination of such factors, is underutilized, unutilized, or diminishes the economic usefulness of the land, improvements, or lock and dam site within such area for the production, generation, conversion, and conveyance of electrical energy from a renewable energy resource;

(3) "Board", an enhanced enterprise zone board established pursuant to section 135.957;

(4) "Commencement of commercial operations" shall be deemed to occur during the first taxable year for which the new business facility is first put into use by the taxpayer in the enhanced business enterprise in which the taxpayer intends to use the new business facility;

(5) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide

average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the county average wage for each county at least annually. Notwithstanding the provisions of this subdivision to the contrary, for any taxpayer that in conjunction with their project is relocating employees from a Missouri county with a higher county average wage, such taxpayer shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage for the county from which the employees are being relocated;

(6) "Department", the department of economic development;

(7) "Director", the director of the department of economic development;

(8) "Employee", a person employed by the enhanced business enterprise that is scheduled to work an average of at least one thousand hours per year, and such person at all times has health insurance offered to him or her, which is partially paid for by the employer;

(9) "Enhanced business enterprise", an industry or one of a cluster of industries that is either:

(a) Identified by the department as critical to the state's economic security and growth; or

(b) Will have an impact on industry cluster development, as identified by the governing authority in its application for designation of an enhanced enterprise zone and approved by the department; but excluding gambling establishments (NAICS

industry group 7132), retail trade (NAICS sectors 44 and 45), educational services (NAICS sector 61), religious organizations (NAICS industry group 8131), public administration (NAICS sector 92), and food and drinking places (NAICS subsector 722), however, notwithstanding provisions of this section to the contrary, headquarters or administrative offices of an otherwise excluded business may qualify for benefits if the offices serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the new jobs and investment of such headquarters operation is considered eligible for benefits under this section if the other requirements are satisfied. Service industries may be eligible only if a majority of its annual revenues will be derived from out of the state;

(10) "Existing business facility", any facility in this state which was employed by the taxpayer claiming the credit in the operation of an enhanced business enterprise immediately prior to an expansion, acquisition, addition, or replacement;

(11) "Facility", any building used as an enhanced business enterprise located within an enhanced enterprise zone, including the land on which the facility is located and all machinery, equipment, and other real and depreciable tangible personal property acquired for use at and located at or within such facility and used in connection with the operation of such facility;

(12) "Facility base employment", the greater of the number of employees located at the facility on the date of the notice

of intent, or for the twelve-month period prior to the date of the notice of intent, the average number of employees located at the facility, or in the event the project facility has not been in operation for a full twelve-month period, the average number of employees for the number of months the facility has been in operation prior to the date of the notice of intent;

(13) "Facility base payroll", the total amount of taxable wages paid by the enhanced business enterprise to employees of the enhanced business enterprise located at the facility in the twelve months prior to the notice of intent, not including the payroll of owners of the enhanced business enterprise unless the enhanced business enterprise is participating in an employee stock ownership plan. For the purposes of calculating the benefits under this program, the amount of base payroll shall increase each year based on the consumer price index or other comparable measure, as determined by the department;

(14) "Governing authority", the body holding primary legislative authority over a county or incorporated municipality;

(15) "Megaproject", any manufacturing or assembling facility, approved by the department for construction and operation within an enhanced enterprise zone, which satisfies the following:

(a) The new capital investment is projected to exceed three hundred million dollars over a period of eight years from the date of approval by the department;

(b) The number of new jobs is projected to exceed one

thousand over a period of eight years beginning on the date of approval by the department;

(c) The average wage of new jobs to be created shall exceed the county average wage;

(d) The taxpayer shall offer health insurance to all new jobs and pay at least eighty percent of such insurance premiums; and

(e) An acceptable plan of repayment, to the state, of the tax credits provided for the megaproject has been provided by the taxpayer;

(16) "NAICS", the 1997 edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget. Any NAICS sector, subsector, industry group or industry identified in this section shall include its corresponding classification in subsequent federal industry classification systems;

(17) "New business facility", a facility that does not produce or generate electrical energy from a renewable energy resource and satisfies the following requirements:

(a) Such facility is employed by the taxpayer in the operation of an enhanced business enterprise. Such facility shall not be considered a new business facility in the hands of the taxpayer if the taxpayer's only activity with respect to such facility is to lease it to another person or persons. If the taxpayer employs only a portion of such facility in the operation of an enhanced business enterprise, and leases another portion of such facility to another person or persons or does

not otherwise use such other portions in the operation of an enhanced business enterprise, the portion employed by the taxpayer in the operation of an enhanced business enterprise shall be considered a new business facility, if the requirements of paragraphs (b), (c), and (d) of this subdivision are satisfied;

(b) Such facility is acquired by, or leased to, the taxpayer after December 31, 2004. A facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31, 2004, if the transfer of title to the taxpayer, the transfer of possession pursuant to a binding contract to transfer title to the taxpayer, or the commencement of the term of the lease to the taxpayer occurs after December 31, 2004;

(c) If such facility was acquired by the taxpayer from another taxpayer and such facility was employed immediately prior to the acquisition by another taxpayer in the operation of an enhanced business enterprise, the operation of the same or a substantially similar enhanced business enterprise is not continued by the taxpayer at such facility; and

(d) Such facility is not a replacement business facility, as defined in subdivision (27) of this section;

(18) "New business facility employee", an employee of the taxpayer in the operation of a new business facility during the taxable year for which the credit allowed by section 135.967 is claimed, except that truck drivers and rail and barge vehicle operators and other operators of rolling stock for hire shall not constitute new business facility employees;

(19) "New business facility investment", the value of real and depreciable tangible personal property, acquired by the taxpayer as part of the new business facility, which is used by the taxpayer in the operation of the new business facility, during the taxable year for which the credit allowed by 135.967 is claimed, except that trucks, truck-trailers, truck semitrailers, rail vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges, tunnels, and rail yards and spurs shall not constitute new business facility investments. The total value of such property during such taxable year shall be:

(a) Its original cost if owned by the taxpayer; or

(b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals. The new business facility investment shall be determined by dividing by twelve the sum of the total value of such property on the last business day of each calendar month of the taxable year. If the new business facility is in operation for less than an entire taxable year, the new business facility investment shall be determined by dividing the sum of the total value of such property on the last business day of each full calendar month during the portion of such taxable year during which the new business facility was in operation by the number of full calendar months during such period;

(20) "New job", the number of employees located at the

facility that exceeds the facility base employment less any decrease in the number of the employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job;

(21) "Notice of intent", a form developed by the department which is completed by the enhanced business enterprise and submitted to the department which states the enhanced business enterprise's intent to hire new jobs and request benefits under such program;

(22) "Related facility", a facility operated by the enhanced business enterprise or a related company in this state that is directly related to the operation of the project facility;

(23) "Related facility base employment", the greater of:

(a) The number of employees located at all related facilities on the date of the notice of intent; or

(b) For the twelve-month period prior to the date of the notice of intent, the average number of employees located at all related facilities of the enhanced business enterprise or a related company located in this state;

(24) "Related taxpayer":

(a) A corporation, partnership, trust, or association controlled by the taxpayer;

(b) An individual, corporation, partnership, trust, or association in control of the taxpayer; or

(c) A corporation, partnership, trust or association

controlled by an individual, corporation, partnership, trust or association in control of the taxpayer. "Control of a corporation" shall mean ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote, "control of a partnership or association" shall mean ownership of at least fifty percent of the capital or profits interest in such partnership or association, and "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such trust; ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

(25) "Renewable energy generation zone", an area which has been found, by a resolution or ordinance adopted by the governing authority having jurisdiction of such area, to be a blighted area and which contains land, improvements, or a lock and dam site which is unutilized or underutilized for the production, generation, conversion, and conveyance of electrical energy from a renewable energy resource;

(26) "Renewable energy resource", shall include:

(a) Wind;

(b) Solar thermal sources or photovoltaic cells and panels;

(c) Dedicated crops grown for energy production;

(d) Cellulosic agricultural residues;

(e) Plant residues;

(f) Methane from landfills, agricultural operations, or wastewater treatment;

(g) Thermal depolymerization or pyrolysis for converting waste material to energy;

(h) Clean and untreated wood such as pallets;

(i) Hydroelectric power, which shall include electrical energy produced or generated by hydroelectric power generating equipment, as such term is defined in section 137.010;

(j) Fuel cells using hydrogen produced by one or more of the renewable resources provided in paragraphs (a) to (i) of this subdivision; or

(k) Any other sources of energy, not including nuclear energy, that are certified as renewable by rule by the department of natural resources;

(27) "Replacement business facility", a facility otherwise described in subdivision (17) of this section, hereafter referred to in this subdivision as "new facility", which replaces another facility, hereafter referred to in this subdivision as "old facility", located within the state, which the taxpayer or a related taxpayer previously operated but discontinued operating on or before the close of the first taxable year for which the credit allowed by this section is claimed. A new facility shall be deemed to replace an old facility if the following conditions are met:

(a) The old facility was operated by the taxpayer or a related taxpayer during the taxpayer's or related taxpayer's taxable period immediately preceding the taxable year in which commencement of commercial operations occurs at the new facility; and

(b) The old facility was employed by the taxpayer or a related taxpayer in the operation of an enhanced business enterprise and the taxpayer continues the operation of the same or substantially similar enhanced business enterprise at the new facility. Notwithstanding the preceding provisions of this subdivision, a facility shall not be considered a replacement business facility if the taxpayer's new business facility investment, as computed in subdivision (19) of this section, in the new facility during the tax period for which the credits allowed in section 135.967 are claimed exceed one million dollars and if the total number of employees at the new facility exceeds the total number of employees at the old facility by at least two;

(28) "Same or substantially similar enhanced business enterprise", an enhanced business enterprise in which the nature of the products produced or sold, or activities conducted, are similar in character and use or are produced, sold, performed, or conducted in the same or similar manner as in another enhanced business enterprise.

135.973. 1. After January 1, 2007, all enterprise zones designated before January 1, 2006, shall be eligible to receive the tax benefits under sections 135.950 to 135.970.

2. Notwithstanding any provision of law to the contrary, no tax credits provided under sections 135.950 to 135.973 shall be authorized on or after August 28, 2017. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized

prior to August 28, 2017, or a taxpayer's ability to redeem such tax credits.

135.1150. 1. This section shall be known and may be cited as the "Residential Treatment Agency Tax Credit Act".

2. As used in this section, the following terms mean:

(1) "Certificate", a tax credit certificate issued under this section;

(2) "Department", the Missouri department of social services;

(3) "Eligible donation", donations received from a taxpayer by an agency that are used solely to provide direct care services to children who are residents of this state. Eligible donations may include cash, publicly traded stocks and bonds, and real estate that will be valued and documented according to rules promulgated by the department of social services. For purposes of this section, "direct care services" include but are not limited to increasing the quality of care and service for children through improved employee compensation and training;

(4) "Qualified residential treatment agency" or "agency", a residential care facility that is licensed under section 210.484, accredited by the Council on Accreditation (COA), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on Accreditation of Rehabilitation Facilities (CARF), and is under contract with the Missouri department of social services to provide treatment services for children who are residents or wards of residents of this state,

and that receives eligible donations. Any agency that operates more than one facility or at more than one location shall be eligible for the tax credit under this section only for any eligible donation made to facilities or locations of the agency which are licensed and accredited;

(5) "Taxpayer", **[**any of the following individuals or entities who make an eligible donation to an agency:

(a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed in chapter 143;

(b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

(c) An insurance company paying an annual tax on its gross premium receipts in this state;

(d) Any other financial institution paying taxes to the state of Missouri or any political subdivision of this state under chapter 148;

(e) An individual subject to the state income tax imposed in chapter 143;

(f) Any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143**]** an individual, a firm, a partner in a firm, sole proprietorship, partner in a limited or general partnership, member of a limited liability company, corporation as defined under section 143.441 or 143.471, a shareholder in an

S corporation doing business in this state and subject to the state income tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or a charitable organization, trust, or public or private foundation which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to state income tax imposed under chapter 143.

3. For all taxable years beginning on or after January 1, 2007, any taxpayer shall be allowed a credit against the taxes otherwise due under chapter 147, 148, or 143, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the amount of an eligible donation, subject to the restrictions in this section. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be carried forward to any of the taxpayer's four subsequent taxable years.

4. To claim the credit authorized in this section, an agency may submit to the department an application for the tax credit authorized by this section on behalf of taxpayers. The department shall verify that the agency has submitted the following items accurately and completely:

(1) A valid application in the form and format required by the department;

(2) A statement attesting to the eligible donation

received, which shall include the name and taxpayer identification number of the individual making the eligible donation, the amount of the eligible donation, and the date the eligible donation was received by the agency; and

(3) Payment from the agency equal to the value of the tax credit for which application is made. If the agency applying for the tax credit meets all criteria required by this subsection, the department shall issue a certificate in the appropriate amount.

5. An agency may apply for tax credits in an aggregate amount that does not exceed **[**forty percent of**]** the payments made by the department to the agency in the preceding twelve months.

6. Tax credits issued under this section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit shall have the same rights in the credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed with the department specifying the name and address of the new owner of the tax credit or the value of the credit.

7. The department shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536

to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.

8. [Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.] Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program authorized under this section are hereby reauthorized and shall automatically sunset on August 28, 2015.

135.1180. 1. This section shall be known and may be cited as the "Developmental Disability Care Provider Tax Credit Program".

2. As used in this section, the following terms mean:

(1) "Certificate", a tax credit certificate issued under this section;

(2) "Department", the Missouri department of social services;

(3) "Eligible donation", donations received, by a provider, from a taxpayer that are used solely to provide direct care services to persons with developmental disabilities who are residents of this state. Eligible donations may include cash, publicly traded stocks and bonds, and real estate that will be valued and documented according to rules promulgated by the department of social services. For purposes of this section, "direct care services" include, but are not limited to, increasing the quality of care and service for persons with developmental disabilities through improved employee compensation and training;

(4) "Qualified developmental disability care provider" or "provider", a care provider that provides assistance to persons with developmental disabilities, and is under contract with the Missouri department of social services or department of mental health to provide treatment services for such persons, and that receives eligible donations. Any provider that operates more than one facility or at more than one location shall be eligible for the tax credit under this section only for any eligible donation made to facilities or locations of the provider which are licensed and accredited;

(5) "Taxpayer", any of the following individuals or entities who make an eligible donation to a provider:

(a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed in chapter 143;

(b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

(c) An insurance company paying an annual tax on its gross premium receipts in this state;

(d) Any other financial institution paying taxes to the state of Missouri or any political subdivision of this state under chapter 148;

(e) An individual subject to the state income tax imposed in chapter 143;

(f) Any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

3. For all taxable years beginning on or after January 1, 2011, any taxpayer shall be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148 excluding withholding tax imposed by sections 143.191 to 143.265 in an amount equal to fifty percent of the amount of an eligible donation, subject to the restrictions in this section. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be carried forward to any of the taxpayer's four subsequent taxable years.

4. To claim the credit authorized in this section, a provider shall submit to the department an application for the

tax credit authorized by this section on behalf of taxpayers. The department shall verify that the provider has submitted the following items accurately and completely:

(1) A valid application in the form and format required by the department;

(2) A statement attesting to the eligible donation received, which shall include the name and taxpayer identification number of the individual making the eligible donation, the amount of the eligible donation, and the date the eligible donation was received by the provider; and

(3) Payment from the provider equal to the value of the tax credit for which application is made.

If the provider applying for the tax credit meets all criteria required by this subsection, the department shall issue a certificate in the appropriate amount.

5. Tax credits issued under this section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit shall have the same rights in the credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed with the department specifying the name and address of the new owner of the tax credit or the value of the credit.

6. The department shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions

of chapter 536, and, if applicable, section 536.028. This section and chapter 536, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.

7. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset four years after August 28, 2011, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.

135.1500. 1. Sections 135.1500 to 135.1521, shall be known and may be cited as the "Aerotropolis Trade Incentive and Tax Credit Act".

2. As used in sections 135.1500 to 135.1521, unless the context clearly requires otherwise, the following terms shall mean:

(1) "Air export tax credit", the tax credit against the taxes imposed under chapters 143, 147, and 148, except for

sections 143.191 to 143.265, to be issued by the department to a claiming freight forwarder for the shipment of air cargo on a qualifying outbound flight;

(2) "Airport", an airport which is owned and operated by a city not within a county;

(3) "Cargo activity", all of the inbound cargo activity and outbound cargo activity into and from an eligible facility;

(4) "Certificate of compliance", a certificate submitted with any application for a tax credit or tax incentive specified in section 135.1513, that shall certify that all requisite requirements for the issuance of such tax credits and tax incentives have been satisfied for such eligible facility and shall provide evidence of such satisfaction;

(5) "Certificate of occupancy", the certificate or permit issued by a municipality that permits the commercial use or occupancy of a building or structure;

(6) "Chargeable kilo", the shipment of a kilo of freight, as measured by the greater of:

(a) Actual weight; or

(b) A dimensional weight, as determined by the conversion factors promulgated by the International Air Transport Association, on a qualifying outbound flight or a qualifying inbound flight;

(7) "Claiming freight forwarder", the freight forwarder designated as the "agent" on the airway bill for the qualifying outbound flight for which such air export tax credit is sought;

(8) "Department", the Missouri department of economic

development;

(9) "Direct all cargo aircraft flight", a flight that flies directly to its destination without stopping, except to receive fuel and maintenance;

(10) "Economic incentive laws", any provision of Missouri law under which economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land, such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment projects approved or adopted which include the use of economic incentives to redevelop the land;

(11) "Eligible costs", the following costs associated with the development and construction of an eligible facility:

(a) Costs and expenses of construction of the eligible facility, including fixtures and equipment; and

(b) Demolition costs of vacant structures.

Eligible costs shall not include costs of site improvements or costs of environmental remediation;

(12) "Eligible facility", a qualifying gateway facility, qualifying cold-chain facility, or qualifying assembly and manufacturing facility;

(13) "Eligibility period", the time period, not to exceed seven fiscal years, during which an owner of an eligible facility may receive benefits under section 135.1513. Such time period shall begin to run twelve months after the date on which the certificate of occupancy is issued for each eligible facility, and shall continue for the next subsequent seven

fiscal years;

(14) "Fiscal year", the twelve consecutive month time period beginning on the date, which is twelve months after the date on which the certificate of occupancy is issued for an eligible facility, and ending on the last day of the twelfth month thereafter, with each subsequent fiscal year beginning on the anniversary of the date, which is twelve months after the date of the issuance of such certificate of occupancy, and ending on the last day of the twelfth month thereafter;

(15) "Freight forwarder", a person that assumes responsibility in the ordinary course of its business for the transportation of cargo from the place of receipt to the place of destination, including the utilization of a qualifying outbound flight;

(16) "Full-time employee", an employee who is located at an eligible facility and is scheduled to work an average of at least thirty-five hours per week for a twelve-month period;

(17) "Gateway zone", an area within this state designated under the provisions of sections 135.1500 to 135.1521, which shall be within:

(a) A site of at least one hundred contiguous acres located within fifty miles of an airport; provided, however, such one hundred acres need not be contiguous if the acreage is located within a larger designated urban renewal area or redevelopment area under economic incentive laws;

(b) An area within the boundaries of an airport; or

(c) Any area owned or managed by the port authority of a

county or a city not within a county;

(18) "Inbound cargo activity", the receipt of materials, components, goods, and products at an eligible facility from another destination through any mode of multimodal commerce. The term "inbound cargo activity" shall not include road transportation from the airport to the eligible facility;

(19) "Level one air cargo activity", where:

(a) At least twenty percent of the total outbound cargo activity of an eligible facility consists of chargeable kilos shipped from such facility, on a qualifying outbound flight by the owner of, or any tenant in, such facility; or

(b) At least twenty percent of the total inbound cargo activity of an eligible facility consists of chargeable kilos shipped on a qualifying inbound flight to the owner of, or any tenant in, an eligible facility, whether or not the inbound shipment is stored at any time within such facility; or

(c) At least twenty percent of the total cargo activity of an eligible facility consists of:

a. Chargeable kilos shipped from such facility, on a qualifying outbound flight by the owner of, or any tenant in, such facility; and

b. Chargeable kilos shipped on a qualifying inbound flight to the owner of, or any tenant in, an eligible facility, whether or not the inbound shipment is stored at any time within such facility;

(20) "Level two air cargo activity", where:

(a) At least ten percent of the total outbound cargo

activity of an eligible facility consists of chargeable kilos shipped from such facility, on a qualifying outbound flight by the owner of, or any tenant in, such facility; or

(b) At least ten percent of the total inbound cargo activity of an eligible facility consists of chargeable kilos shipped on a qualifying inbound flight to the owner of, or any tenant in, an eligible facility, whether or not the inbound shipment is stored at any time within such facility; or

(c) At least ten percent of the total cargo activity of an eligible facility consists of:

a. Chargeable kilos shipped from such facility, on a qualifying outbound flight by the owner of, or any tenant in, such facility; and

b. Chargeable kilos shipped on a qualifying inbound flight to the owner of, or any tenant in, an eligible facility, whether or not the inbound shipment is stored at any time within such facility;

(21) "Multimodal commerce", modes of commerce for the shipment of materials, components, goods, or products, including road transportation, railroad transportation, water transportation, or aircraft transportation;

(22) "Municipality", any city, town, village, or county;

(23) "New building", a new structure or building for which a certificate of occupancy was issued on or after July 1, 2011 for commercial activity, including fixtures and equipment;

(24) "New job", a person who was not employed at the eligible facility as a full-time employee on or prior to the

date of the issuance of the certificate of occupancy for the eligible facility. No job that was created prior to the date of the issuance of the certificate of occupancy for the eligible facility shall be deemed a new job. An employee that spends less than fifty percent of the employee's work time at the eligible facility is still considered to be located at an eligible facility if the employee receives his or her directions and control from that facility, is on the facility's payroll, and one hundred percent of the employee's income from such employment is Missouri income;

(25) "Outbound cargo activity", the shipment of materials, components, goods, and products from an eligible facility to another destination through any mode of multimodal commerce. The term "outbound cargo activity" shall not include road transportation to the airport from the eligible facility;

(26) "Perishable freight", agricultural products, including seeds, garden products, live animals, and processed meat products such as pork and beef;

(27) "Qualifying applicant", an owner of, or tenant in, an eligible facility;

(28) "Qualifying assembly and manufacturing facility", a new building located within a gateway zone that is equipped for manufacturing or assembly and in which the receipt of production materials or components or the shipment of finished goods or products, or both, involves at least two modes of multimodal commerce;

(29) "Qualifying cargo activity", meeting or exceeding the

requirements for level one air cargo activity or level two air cargo activity;

(30) "Qualifying cold-chain facility", a new building located within a gateway zone which has within it equipment for maintaining necessary temperatures for the processing, packaging, or distribution of temperature-sensitive products, provided that at least eighty percent of the usable square footage of such facility is refrigerated;

(31) "Qualifying gateway facility", a new building located within a gateway zone in which qualifying cargo activity occurs, provided that no more than twenty percent of the usable space within the qualifying gateway facility is devoted to office or retail use;

(32) "Qualifying inbound flight", an all cargo aircraft flight originating from an international destination to the airport;

(33) "Qualifying outbound flight", a direct all cargo aircraft flight from the airport to an international destination; and

(34) "Tenant in an eligible facility", a tenant or subtenant who is operating within an eligible facility and is a tenant or subtenant of the owners of an eligible facility, or a licensee who is operating within an eligible facility and is a licensee of such owner, tenant, or subtenant.

135.1503. 1. Any executive officer of a county or the mayor of any city not within a county desiring to designate a gateway zone shall cause the governing body of such county or

city not within a county to hold a public hearing for the purpose of obtaining the opinion and suggestions of those persons who will be affected by such designation. The county or the city not within a county shall publish notice of such hearing in a newspaper of general circulation in the area to be affected by such designation at least twenty days prior to the date of the hearing but not more than thirty days prior to such hearing. Such notice shall state the time, location, date, and purpose of the hearing.

2. Following conclusion of the public hearing required by this section, the executive officer of any county or the mayor of any city not within a county shall notify the department in writing of the designation of the gateway zone. Such notification shall include evidence that the requisite public hearing has been conducted, a legal description of the area of the gateway zone, the street location, if available, the acreage of the gateway zone, a survey of the gateway zone, a plan for the utilization and marketing of the gateway zone, and confirmation that zoning has been obtained for the gateway zone or any portion thereof which zoning is consistent with the uses of property as contemplated under sections 135.1500 to 135.1521.

3. The department shall have a period of sixty calendar days to verify that such gateway zone satisfies the requirements under section 135.1500. If the department does not notify the executive officer of the county, or the mayor of any city not within a county, designating the gateway zone, of its verification that the requirements are satisfied, or the

department does not notify such executive officer or such mayor of its denial and provide a detailed description of the reason for the denial of such verification within such sixty day time period, then the requirements under section 135.1500 shall be deemed to have been satisfied.

4. If the department provides such executive officer or mayor with a detailed description of a reason for its denial within such sixty day time period, such executive officer or mayor may submit a revised notification. Any such revised notification shall be subject to the provisions of subsection 3 of this section.

135.1505. 1. There shall be an annual special assessment levied on any eligible facility, which receives benefits under sections 135.1500 to 135.1521, at the rate of twenty cents per rentable square foot of such facility; provided however, any special assessments levied on such eligible facilities located within the boundaries of the airport shall be remitted to the airport. The county collector of revenue of the county in which a gateway zone is located, or the collector of revenue for the city in which a gateway zone is located if the gateway zone is located in a city not within a county, shall annually levy the special assessments in the same manner as real property taxes are collected.

2. On or before the first day of February of each year and after deducting the reasonable and actual cost of such collection not to exceed one percent of the total amount collected, the county or city collector of revenue, who has

collected the special assessments, shall remit to the entities identified in subsection 3 of this section the percentages of special assessments set forth in such subsection. Such county or city collector of revenue shall collect the special assessments prior to the fifteenth day of January of each year. Upon receipt of such money, the entities, identified in subsection 3 of this section, shall execute a receipt therefor, which the entities shall forward or deliver to the county or city collector of revenue.

3. After the payment of any fees related to the collection of the special assessments and the remittance of any special assessments identified for remittance under subsection 1 of this section to the airport, the remaining revenues collected from the special assessments shall be utilized as follows:

(a) Fifty percent of such revenues shall be annually transferred to the airport. The proceeds of the net special assessments shall be placed in a special fund for marketing and promotion of the airport and shall not be comingled with any other funds of the airport;

(b) The remaining fifty percent of such revenues shall be annually transferred to a tax exempt regional or county economic development association or associations, selected by the executive officer of any county, or the mayor of a city not within a county, which contains a gateway zone for the marketing and promotion of the gateway zone. Such county or city shall enter into an agreement or agreements with such tax exempt economic development association or associations for the

marketing and promotion of the gateway zone and shall review and approve the annual budget of such association or associations for such marketing and promotion. Such tax exempt regional or county economic development association or associations shall not comingle any of such revenues with any other funds of the association or associations.

4. The airport and such tax exempt regional or county economic development association or associations shall be subject to periodic audits by the state auditor to be paid in accordance with section 29.230. The airport shall report, and such executive officer or mayor shall cause the tax exempt regional or county economic development association performing such marketing and promotion to report, to the department the status of the gateway zone and the use of revenues generated through the levying of special assessments under this section.

135.1507. 1. For all taxable years beginning on or after January 1, 2011, a claiming freight forwarder shall be entitled to an air export tax credit for the shipment of cargo on a qualifying outbound flight in an amount equal to thirty cents per chargeable kilo.

2. For all taxable years beginning on or after January 1, 2011, a claiming freight forwarder shall be entitled to an air export tax credit for the shipment of perishable freight on a qualifying outbound flight in an amount equal to thirty-five cents per chargeable kilo.

3. No claiming freight forwarder shall receive air export tax credits under both subsections 1 and 2 of this section for a

single shipment on a qualifying outbound flight.

4. The department shall index the amount of the air export tax credits to adjust each year depending upon fluctuations in the cost of fuel for over-the-road transportation.

135.1509. 1. To receive benefits provided under section 135.1507, a claiming freight forwarder shall file an application with the department within one hundred twenty calendar days of the date that the shipment for which air export tax credits are being sought was transported on the qualifying outbound flight. The documentation to be presented by the claiming freight forwarder in such an application shall consist of the master airway bill for the shipment on the qualifying outbound flight for which the claiming freight forwarder is seeking air export tax credits. All master airway bills shall specify an origin located within the United States of America for the shipments to qualify for air export tax credits. The department shall establish procedures to allow claiming freight forwarders that file applications for air export tax credits to receive such tax credits within ten business days of the date of the filing of the application for air export tax credits relating to the qualifying outbound flight. No application shall be approved for any continuing direct all cargo aircraft flights from the airport to an international destination conducted by a carrier, which conducted such flights on a scheduled basis prior to May 1, 2011, and which continuing flights after May 1, 2011, would otherwise have constituted qualifying outbound flights.

2. If the annual cap on the issuance of air export tax

credits provided under section 135.1511, is met in a given year, then the amount of such tax credits which have been authorized, but remain unissued, shall be carried forward and issued in the subsequent year.

3. No tax credits provided under this section shall be authorized after August 28, 2019. Any tax credits authorized on or before August 28, 2019, but not issued prior to such date may be issued until all such authorized tax credits have been issued.

135.1511. The total aggregate amount for air export tax credits authorized under section 135.1507 shall not exceed sixty million dollars. The amount of the air export tax credits issued under section 135.1507 shall not exceed:

(1) Three million six hundred thousand dollars for the taxable year beginning on or after January 1, 2011, but ending on or before December 31, 2011;

(2) Four million eight hundred thousand dollars for the taxable year beginning on or after January 1, 2012, but ending on or before December 31, 2012; and

(3) The greater of one million two hundred thousand dollars per weekly qualifying outbound flight or three million six hundred thousand dollars for all taxable years beginning on or after January 1, 2013.

The department shall annually determine the number of weekly qualifying outbound flights, which shall be the average number of such flights per week during the month of September of the previous year.

135.1513. 1. For all taxable years beginning on or after January 1, 2013, qualifying applicants shall be entitled to the following benefits:

(1) The owner of any eligible facility with level one air cargo activity shall be entitled, during the eligibility period, to receive tax credits against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, equal to six percent of the eligible costs for such facility for each year that such facility meets or exceeds level one air cargo activity volumes, provided that the owner can demonstrate that at least ten new jobs are projected to be created at the facility by no later than the end of the eligibility period. The total amount of tax credits issued for any such facility shall not exceed thirty percent of such facility's eligible costs. No tax credits provided under this subdivision shall be issued prior to January 1, 2013;

(2) The owner of any qualifying gateway facility with level two air cargo activity, a qualifying assembly and manufacturing facility, or a qualifying cold-chain facility shall be entitled, during the eligibility period, to receive tax credits against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, equal to four percent of the eligible costs for such facility for each year that such facility satisfies the requirements of sections 135.1500 to 135.1521, provided that the owner can demonstrate that at least ten new jobs are projected to be created at the facility by no later than the end of the eligibility period.

The total amount of tax credits issued for such facility shall not exceed twenty percent of such facility's eligible costs. No tax credits provided under this subdivision shall be issued prior to January 1, 2013; and

(3) Any tenant of an eligible facility and any individuals employed by such tenants shall be exempt from the earnings tax imposed by a city not within a county pursuant to sections 92.110 to 92.200 for each fiscal year during the eligibility period if such facility satisfies the requirements of sections 135.1500 to 135.1521.

2. If an eligible facility receives a certificate of occupancy prior to the sunset of the program, the owners of an eligible facility may apply for benefits provided under this section for the term of the eligibility period notwithstanding the sunsetting of the program prior to the end of the term of the eligibility period for such facility.

135.1515. 1. In order for an owner of an eligible facility to receive benefits provided under section 135.1513 for any fiscal year during the eligibility period, the eligible facility shall satisfy all applicable requirements provided under sections 135.1500 to 135.1521 for each such fiscal year by December thirty-first of the calendar year in which an application is filed under subsection 2 of this section.

2. Owners of an eligible facility seeking benefits provided under section 135.1513 shall file applications for such benefits, accompanied by a certificate of compliance, on or before December thirty-first of each year. If such facility,

relating to which such owners are applying for such tax credits satisfies the applicable requirements provided under sections 135.1500 to 135.1521, the department shall grant such benefits on or before July fifteenth of the next calendar year following such time period.

3. If the annual cap for any of such tax credits provided under section 135.1517 is met in a year, then the amount of such tax credits authorized, but unissued, shall be carried forward and issued in the subsequent year.

4. No tax credits provided under this section shall be authorized after August 28, 2020. Any tax credits authorized on or before August 28, 2020, but not issued prior to such date may be issued until all such authorized tax credits have been issued.

5. No owner of an eligible facility shall be entitled to receive benefits provided under section 135.1513 unless a certificate of occupancy has been issued for the eligible facility prior to August 28, 2020. An owner of an eligible facility for which a certificate of occupancy has been issued prior to August 28, 2020, may be granted benefits under this section.

135.1517. The total aggregate amount for all of the tax credits authorized under subdivisions (1) and (2) of subsection 1 of section 135.1513 shall not exceed three hundred million dollars. The annual amount of the tax credits issued under subdivisions (1) and (2) of subsection 1 of section 135.1513 shall not exceed:

(1) Two million dollars for the taxable year beginning on

or after January 1, 2013, and ending on or before December 31, 2013;

(2) Fifteen million dollars for the taxable year beginning on or after January 1, 2014, and ending on or before December 31, 2014;

(3) Sixteen million dollars for the taxable year beginning on or after January 1, 2015, and ending on or before December 31, 2015;

(4) Twenty million dollars for all taxable years beginning on or after January 1, 2016, but ending on or before December 31, 2019;

(5) Thirty million dollars for all taxable years beginning on or after January 1, 2020, but ending on or before December 31, 2024;

(6) Twenty-three million dollars for the taxable year beginning on or after January 1, 2025, but ending on or before December 31, 2025; and

(7) Seven million dollars for the taxable years beginning on or after January 1, 2026, and ending on or before December 31, 2027.

135.1519. If the amount of any tax credit authorized under sections 135.1500 to 135.1521 exceeds the total tax liability for the year in which the applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be carried forward for credit against the taxes imposed under chapters 143, 147, and 148, except sections 143.191 to 143.265, for the succeeding six years, or until the full credit is used,

whichever occurs first. Tax credits authorized under the provisions of sections 135.1500 to 135.1521 may be transferred, sold, or otherwise assigned. Tax credits granted to a partnership, a limited liability company taxed as a partnership, or multiple owners of property shall be passed through to the partners, members, or owners respectively pro rata or under an executed agreement among the partners, members, or owners documenting an alternate distribution method.

135.1521. 1. The department may promulgate rules to implement the provisions of sections 135.1500 to 135.1521. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and to annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.

2. The provisions of the new programs authorized under sections 135.1500 to 135.1521 shall automatically sunset sixteen years after the effective date of this act, unless reauthorized by an act of the general assembly. If such program is reauthorized, the program authorized under this section shall automatically sunset six years after the effective date of the

reauthorization of this section. This section shall terminate on September first of the calendar year immediately following the calendar year in which the programs authorized under sections 135.1500 to 135.1521 sunset.

140.910. 1. In addition to any other remedy provided by law for the collection of delinquent taxes due the state of Missouri, if the director has filed a certificate of lien in the circuit court as provided by section 143.902, 144.380, or 144.690, the director or his or her designee may issue an order directing any person, after the payment of attorney fees and expenses associated with creating the proceeds belonging to, due to, or to become due to the taxpayer, to withhold and pay over to the department assets belonging to, due, or to become due the taxpayer. The director or his or her designee shall not issue the administrative garnishment if the taxpayer has entered into a written agreement with the department for an alternative payment arrangement and the taxpayer is in compliance with the agreement.

2. An order entered under this section shall be served on the person or other legal entity either by regular mail or by certified mail, return receipt requested, or may be issued through electronic means, and shall be binding on the employer or other payor two weeks after mailing or electronic issuance of such service. The person or other entity in possession of assets belonging to, due, or to become due the taxpayer may deduct an additional sum not to exceed six dollars per month as reimbursement for costs, except that the total amount withheld

shall not exceed the limitations contained in the federal Consumer Credit Protection Act, 15 U.S.C. 1673.

3. A copy of the order shall be mailed to the taxpayer at the taxpayer's last known address. The notice shall advise the taxpayer that the administrative garnishment has commenced and the procedures to contest such garnishment on the grounds that such garnishment is improper due to a mistake of fact by requesting a hearing within thirty days from mailing or electronic issuance of the notice. At such a hearing the certified records of the department shall constitute prima facie evidence that the director's order is valid and enforceable. If a prima facie case is established, the obligor may only assert as a defense mistake as to the identity of the taxpayer, mistake as to payments made, or existence of an alternative payment agreement for which no default has occurred. The taxpayer shall have the burden of proof on such issues. The taxpayer may obtain relief from the garnishment by paying the amount owed.

4. An employer or other payor shall withhold from the earnings or other income of each taxpayer the amount specified in the order. The employer or other payor shall transmit the payments as directed in the order within ten business days of the date the earnings, money due, or other income was payable to the taxpayer. For purposes of this section, "business day" means a day that state offices are open for regular business. The employer or other payor shall, along with the amounts transmitted, provide the date the amount was withheld from the taxpayer.

5. An order issued under subsection 1 of this section shall be a continuing order and shall remain in effect and be binding upon any employer or other payor upon whom it is directed until a further order of the director. The director shall notify an employer or other payor upon whom such an order has been directed whenever the deficiency is paid in full.

6. If the order is served on a person other than an employer or other payor, it shall be a lien against any money belonging to the taxpayer that is in the possession of the person on the date of service. The person other than an employer or other payor shall pay over any assets within ten business days of the service date of the order. A financial institution ordered to surrender an account shall be entitled to collect its normally scheduled account activity surcharges to maintain the account during the period of time the account is garnished. For purposes of this section, the interest of the taxpayer in any joint financial accounts shall be presumed to be equal to all other joint owners.

7. An order issued under subsection 1 of this section shall have priority over any other legal process under state law against the same income or other asset, except that where the other legal process is an order issued under section 452.350, 454.505, or 454.507, the withholding for child support shall have priority.

8. No person who complies with an order entered under this section shall be liable to the taxpayer, or to any other person claiming rights derived from the taxpayer, for wrongful

withholding. A person who fails or refuses to withhold or pay the amounts as ordered under this section shall be liable to the state in a sum equal to the value of the wages or property not surrendered, but not to exceed the amount of tax deficiency. The director is hereby authorized to bring an action in circuit court to determine the liability of a person for failure to withhold or pay the amounts as ordered. If a court finds that a violation has occurred, the court may fine the person in an amount not to exceed five hundred dollars. The court may also enter a judgment against the person or other legal entity for the amounts to be withheld or paid, court costs, and reasonable attorney's surcharges.

9. The remedy provided by this section shall be available where the state or any of its political subdivisions is the employer or other payor of the taxpayer in the same manner and to the same extent as where the employer or other payor is a private party.

10. An employer shall not discharge, or refuse to hire or otherwise discipline, an employee as a result of an order to withhold and pay over certain money authorized by this section. If any such employee is discharged within thirty days of the date upon which an order to withhold and pay over certain money is to take effect, there shall arise a rebuttable presumption that such discharge was a result of such order. This presumption shall be overcome only by clear, cogent and convincing evidence produced by the employer that the employee was not terminated because of the order to withhold and pay over

certain money. The director or his or her designee is hereby authorized to bring an action in circuit court to determine whether the discharge constitutes a violation of this subsection. If the court finds that a violation has occurred, the court may enter an order against the employer requiring reinstatement of the employee and may fine the employer in an amount not to exceed five hundred dollars. Further, the court may enter judgment against the employer for the back wages, costs, attorney's surcharges, and for the amount of taxes that should have been withheld and paid over during the period of time the employee was wrongfully discharged.

11. If a taxpayer for whom an order to withhold has been issued under subsection 1 of this section terminates the taxpayer's employment, the employer shall, within ten days of the termination, notify the department of the termination, shall provide to the department the last known address of the taxpayer, if known to the employer, and shall provide to the department the name and address of the taxpayer's new employer, if known. The director or his or her designee may issue an order to the new employer as provided in subsection 1 of this section.

12. For purposes of this section, "assets" include, but are not limited to, currency, any financial account or other liquid asset, and any income or other periodic form of payment due to a taxpayer regardless of source, including, but not limited to, wages, salaries, commissions, bonuses, workers' compensation benefits, disability benefits, payments pursuant to

a pension or a retirement program, and interest.

144.054. 1. As used in this section, the following terms mean:

(1) "Essential", an activity necessary and indispensable to the process of manufacturing, without which the actual process of manufacturing could not take place;

(2) "Manufacturing, processing, compounding, mining, or producing", testing, installing, calibrating, maintaining, repairing, restoring, and all other activities of the manufacturer, processor, compounder, miner, or producer essential to manufacturing, processing, compounding, mining, or producing;

(3) "Processing", any mode of treatment, act, or series of acts performed upon materials to transform or reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

[(2)**]** (4) "Recovered materials", those materials which have been diverted or removed from the solid waste stream for sale, use, reuse, or recycling, whether or not they require subsequent separation and processing.

2. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, electrical energy and gas, whether natural, artificial,

or propane, water, coal, and energy sources, chemicals, machinery, equipment, and materials used or consumed in the manufacturing, processing, compounding, mining, or producing of any product, or used or consumed in the processing of recovered materials, or used in research and development related to manufacturing, processing, compounding, mining, or producing any product. The exemptions granted in this subsection include chemicals, machinery, equipment, and other materials essential to the processes of repairing and maintaining manufacturing equipment. Activities deemed nonessential and thus not exempt under this section shall include, but are not limited to, transportation, delivery, human resources activities, accounting, and other activities that are not part of the manufacturing process. The exemptions granted in this subsection shall not apply to local sales taxes as defined in section 32.085 and the provisions of this subsection shall be in addition to any state and local sales tax exemption provided in section 144.030.

3. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, all utilities, machinery, and equipment used or consumed directly in television or radio

broadcasting and all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a contractor for use in fulfillment of any obligation under a defense contract with the United States government, and all sales and leases of tangible personal property by any county, city, incorporated town, or village, provided such sale or lease is authorized under chapter 100, and such transaction is certified for sales tax exemption by the department of economic development, and tangible personal property used for railroad infrastructure brought into this state for processing, fabrication, or other modification for use outside the state in the regular course of business.

4. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a private partner for use in completing a project under sections 227.600 to 227.669.

144.810. 1. As used in this section, unless the context clearly indicates otherwise, the following terms mean:

(1) "Commencement of commercial operations", shall be deemed to occur during the first calendar year for which the data storage center is first available for use by the operating taxpayer, or first capable of being used by the operating taxpayer, as a data storage center;

(2) "Constructing taxpayer", where more than one taxpayer is responsible for a project, a taxpayer responsible for the construction of the facility, as opposed to a taxpayer responsible for the equipping and ongoing operations of the facility;

(3) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility;

(4) "Data storage center" or "facility", a facility constructed, extended, improved, or operating under this section, provided that such business facility is engaged primarily in:

(a) Data processing, hosting, and related services (NAICS 518210); or

(b) Internet publishing and broadcasting and web search portals (NAICS 519130), at the business facility;

(5) "Existing facility", a data storage center in this

state as it existed prior to August 28, 2011, as determined by the department;

(6) "Expanding facility" or "expanding data storage center", an existing facility or replacement facility that expands its operations in this state on or after August 28, 2011, and has net new investment related to the expansion of operations in this state of at least five million dollars during a period of up to twelve consecutive months and results in the creation of at least five new jobs during a period of up to twenty-four consecutive months from the date of conditional approval for an exemption under this section, if the average wage of the new jobs equals or exceeds one hundred and fifty percent of the county average wage. An expanding facility shall continue to be an expanding facility regardless of a subsequent change in or addition of operating taxpayers or constructing taxpayers;

(7) "Expanding facility project" or "expanding data storage center project", the construction, extension, improvement, equipping, and operation of an expanding facility;

(8) "Investment" shall include the value of real and depreciable personal property, acquired as part of the new or expanding facility project which is used in the operation of the facility following conditional approval of an exemption under this section;

(9) "NAICS", the 2007 edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget. Any

NAICS sector, subsector, industry group, or industry identified in this section shall include its corresponding classification in previous and subsequent federal industry classification systems;

(10) "New facility" or "new data storage center", a facility in this state meeting the following requirements:

(a) The facility is acquired by, or leased to, an operating taxpayer on or after August 28, 2011. A facility shall be deemed to have been acquired by, or leased to, an operating taxpayer on or after August 28, 2011, if the transfer of title to an operating taxpayer, the transfer of possession under a binding contract to transfer title to an operating taxpayer, or the commencement of the term of the lease to an operating taxpayer occurs on or after August 28, 2011, or, if the facility is constructed, erected, or installed by or on behalf of an operating taxpayer, such construction, erection, or installation is commenced on or after August 28, 2011;

(b) If such facility was acquired by an operating or constructing taxpayer from another person or persons on or after August 28, 2011, and such facility was employed prior to August 28, 2011, by any other person or persons in the operation of a data storage center the facility shall not be considered a new facility;

(c) Such facility is not an expanding or replacement facility, as defined in this section;

(d) The new facility project investment is at least thirty-seven million dollars during a period of up to thirty-six

consecutive months from the date of the conditional approval for an exemption under this section. Where more than one taxpayer is responsible for a project, the investment requirement may be met by an operating taxpayer, a constructing taxpayer, or a combination of constructing taxpayers and operating taxpayers;

(e) At least thirty new jobs are created at the new facility during a period of up to thirty six consecutive months from the date of conditional approval for an exemption under this section if the average wage of the new jobs equals or exceeds one hundred fifty percent of the county average wage; and

(f) A new facility shall continue to be a new facility regardless of a subsequent change in or addition of operating taxpayers or constructing taxpayers;

(11) "New data storage center project" or "new facility project", the construction, extension, improvement, equipping, and operation of a new facility;

(12) "New job" in the case of a new data center project, the total number of full-time employees located at a new data storage center for a period of up to thirty-six consecutive months from the date of conditional approval for an exemption under this section. In the case of an expanding data storage center project, the total number of full-time employees located at the expanding data storage center that exceeds the greater of the number of full-time employees located at the project facility on the date of the submission of a project plan under this section or for the twelve-month period prior to the date of the submission of a project plan, the average number of full-

time employees located at the expanding data storage center facility. In the event the expanding data storage center facility has not been in operation for a full twelve-month period at the time of the submission of a project plan, the average number of full-time employees for the number of months the expanding data storage center facility has been in operation prior to the date of the submission of the project plan;

(13) "Operating taxpayer", where more than one taxpayer is responsible for a project, a taxpayer responsible for the equipping and ongoing operations of the facility, as opposed to a taxpayer responsible for the purchasing or construction of the facility;

(14) "Project taxpayers", each constructing taxpayer and each operating taxpayer for a data storage center project;

(15) "Replacement facility", a facility in this state otherwise described in subdivision (7) of this subsection, but which replaces another facility located within the state, which the taxpayer or a related taxpayer previously operated but discontinued operating within one year prior to the commencement of commercial operations at the new facility;

(16) "Taxpayer", the purchaser of tangible personal property or a service that is subject to state or local sales or use tax and from whom state or local sales or use tax is owed. Taxpayer shall not mean the seller charged by law with collecting the sales tax from the purchaser.

2. Beginning August 28, 2011, in addition to the exemptions granted under chapter 144, project taxpayers for a

new data storage center project shall be entitled, for a project period not to exceed fifteen years from the date of conditional approval under this section and subject to the requirements of subsection 3 of this section, to an exemption of one hundred percent of the state and local sales and use taxes defined, levied, or calculated under section 32.085, sections 144.010 to 144.525, sections 144.600 to 144.761, or section 238.235, limited to the net fiscal benefit of the state calculated over a ten year period, on:

(1) All electrical energy, gas, water, and other utilities including telecommunication and internet services used in a new data storage center;

(2) All machinery, equipment, and computers used in any new data storage center; and

(3) All sales at retail of tangible personal property and materials for the purpose of constructing any new data storage center.

The amount of any exemption provided under this subsection shall not exceed the projected net fiscal benefit to the state over a period of ten years, as determined by the department of economic development using the Regional Economic Modeling, Inc. dataset or comparable data.

3. Any data storage center project seeking a tax exemption under subsection 2 of this section shall submit a project plan to the department of economic development, which shall identify each known constructing taxpayer and known operating taxpayer

for the project and include any additional information the department of economic development may require to determine eligibility for the exemption. The department of economic development shall review the project plan and determine whether the project is eligible for the exemption under subsection 2 of this section, conditional upon subsequent verification by the department that the project meets the requirements in subsection 1 of this section for a new facility. The department of economic development shall convey such conditional approval to the department of revenue and the identified project taxpayers. After a conditionally approved new facility has met the requirements in subsection 1 of this section for a new facility and the execution of the agreement specified in subsection 6 of this section, the project taxpayers shall provide proof of the same to the department of economic development. Upon verification of such proof, the department of economic development shall certify the new facility to the department of revenue as being eligible for the exemption dating retroactively to the first day of the thirty-six month period. The department of revenue, upon receipt of adequate proof of the amount of sales taxes paid since the first day of the thirty-six month period, shall issue a refund of taxes paid but eligible for exemption under subsection 2 of this section to each operating taxpayer and each constructing taxpayer and issue a certificate of exemption to each new project taxpayer for ongoing exemptions under subsection 2 of this section.

4. Beginning August 28, 2011, in addition to the

exemptions granted under chapter 144, upon approval by the department of economic development, project taxpayers for expanding data center projects may, for a period not to exceed ten years, be specifically exempted from state and local sales and use taxes defined, levied, or calculated under section 32.085, sections 144.010 to 144.525, sections 144.600 to 144.761, or section 238.235 on:

(1) All electrical energy, gas, water, and other utilities including telecommunication and internet services used in an expanding data storage center which, on an annual basis, exceeds the amount of electrical energy, gas, water, and other utilities including telecommunication and internet services used in the existing facility or the replaced facility prior to the expansion, provided that any substantial renovation, as defined in section 8.800, at an expanding facility shall meet applicable provisions of the International Energy Conservation Code 2009 or most recent version thereof. For purposes of this subdivision only, "amount" shall be measured in kilowatt hours, gallons, cubic feet, or other measures applicable to a utility service as opposed to in dollars, to account for increases in utility rates;

(2) All machinery, equipment, and computers used in any expanding data storage center, the cost of which, on an annual basis, exceeds the average of the previous three years' expenditures on machinery, equipment, and computers at the existing facility or the replaced facility prior to the expansion. Existing facilities or replaced facilities in existence for less than three years shall have the average

expenditures calculated based upon the applicable time of existence; and

(3) All sales at retail of tangible personal property and materials for the purpose of constructing, repairing, or remodeling any expanding data storage center.

The amount of any exemption provided under this subsection shall not exceed the projected net fiscal benefit to the state over a period of ten years, as determined by the department of economic development.

5. Any data storage center project seeking a tax exemption under subsection 4 of this section shall submit a project plan to the department of economic development, which shall identify each known constructing taxpayer and each known operating taxpayer for the project and include any additional information the department of economic development may reasonably require to determine eligibility for the exemption. The department of economic development shall review the project plan and determine whether the project is eligible for the exemption under subsection 4 of this section, conditional upon subsequent verification by the department that the project meets the requirements in subsection 1 of this section for an expanding facility project and the execution of the agreement specified in subsection 6 of this section. The department of economic development shall convey such conditional approval to the department of revenue and the identified project taxpayers. After a conditional approved facility has met the requirements

in subsection 1 of this section, the project taxpayers shall provide proof of the same to the department of economic development. Upon verification of such proof, the department of economic development shall certify the project to the department of revenue as being eligible for the exemption dating retroactively to the first day of the thirty-six month period. The department of revenue, upon receipt of adequate proof of the amount of sales taxes paid since the first day of the thirty-six month period, shall issue a refund of taxes paid but eligible for exemption under subsection 4 of this section to any applicable project taxpayer and issue a certificate of exemption to any applicable project taxpayer for ongoing exemptions under subsection 4 of this section.

6. (1) The exemptions in subsections 2 and 4 of this section shall be tied to the new or expanding facility project. A certificate of exemption in the hands of a taxpayer that is no longer an operating or constructing taxpayer of the new or expanding facility project shall be invalid as of the date the taxpayer was no longer an operating or constructing taxpayer of the new or expanding facility project. New certificates of exemption shall be issued to successor constructing taxpayers and operating taxpayers at such new or expanding facility projects. The right to the exemption by successor taxpayers shall exist without regard to subsequent levels of investment in the new or expanding facility by successor taxpayers.

(2) As a condition of receiving an exemption under subsection 2 or 4 of this section, the project taxpayers shall

enter into an agreement with the department of economic development providing for repayment penalties in the event the data storage center project fails to comply with any of the requirements of this section.

(3) The department of revenue shall credit any amounts remitted by the project taxpayers under this subsection to the fund to which the sales and use taxes exempted would have otherwise been credited.

7. The department of economic development and the department of revenue shall cooperate in conducting random audits to ensure that the intent of this section is followed.

8. Notwithstanding any other provision of law to the contrary, no recipient of an exemption pursuant to this section shall be eligible for benefits under any business recruitment tax credit, as defined in section 135.800.

9. The department of economic development and the department of revenue shall jointly prescribe such rules and regulations necessary to carry out the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking

authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.

196.1109. All moneys that are appropriated by the general assembly from the life sciences research trust fund shall be appropriated to the life sciences research board to increase the capacity for quality of life sciences research at public and private not-for-profit institutions in the state of Missouri and to thereby:

(1) Improve the quantity and quality of life sciences research at public and private not-for-profit institutions, including but not limited to basic research (including the discovery of new knowledge), translational research (including translating knowledge into a usable form), and clinical research (including the literal application of a therapy or intervention to determine its efficacy), including but not limited to health research in human development and aging, cancer, endocrine, cardiovascular, neurological, pulmonary, and infectious disease, and plant sciences, including but not limited to nutrition and food safety; and

(2) Enhance technology transfer and technology commercialization derived from research at public and private not-for-profit institutions within the centers for excellence. For purposes of sections 196.1100 to 196.1130, "technology transfer and technology commercialization" includes stages of the regular business cycle occurring after research and development of a life science technology, including but not limited to reduction to practice, proof of concept, and

achieving federal Food and Drug Administration, United States Department of Agriculture, or other regulatory requirements in addition to the definition in section 348.251. Funds received by the board may be used for purposes authorized in sections 196.1100 to 196.1130 and shall be subject to the restrictions of sections 196.1100 to 196.1130, including but not limited to the costs of personnel, supplies, equipment, and renovation or construction of physical facilities; provided that in any single fiscal year no more than **[**ten**]** thirty percent of the moneys appropriated shall be used for the construction of physical facilities and further provided that in any fiscal year up to eighty percent of the moneys shall be appropriated to build research capacity at public and private not-for-profit institutions and at least twenty percent and no more than fifty percent of the moneys shall be appropriated for grants to public or private not-for-profit institutions to promote life science technology transfer and technology commercialization. Of the moneys appropriated to build research capacity, twenty percent of the moneys shall be appropriated to promote the development of research of tobacco-related illnesses.

196.1115. 1. The moneys appropriated to the life sciences research board that are not distributed by the board in any fiscal year to a center for excellence or a center for excellence endorsed program pursuant to section 196.1112, if any, shall be held in reserve by the board or shall be awarded on the basis of peer review panel recommendations for capacity building initiatives proposed by public and private

not-for-profit academic, research, or health care institutions or organizations, or individuals engaged in competitive research in targeted fields consistent with the provisions of sections 196.1100 to 196.1130.

2. The life sciences research board may, in view of the limitations expressed in section 196.1130:

(1) Award and enter into grants or contracts relating to increasing Missouri's research capacity at public or private not-for-profit institutions;

(2) Make provision for peer review panels to recommend and review research projects;

(3) Contract for **[**administrative and**]** support services;

(4) Lease or acquire facilities and equipment;

(5) Employ administrative staff; and

(6) Receive, retain, hold, invest, disburse or administer any moneys that it receives from appropriations or from any other source.

3. The Missouri technology corporation, established under section 348.251, shall serve as the administrative agent for the life sciences research board.

4. The life sciences research board shall utilize as much of the moneys as reasonably possible for building capacity at public and private not-for-profit institutions to do research rather than for administrative expenses. The board shall not in any fiscal year expend more than two percent of the total moneys appropriated to it and of the moneys that it has in reserve or has received from other sources for its own administrative

expenses for appropriations over twenty million dollars; three percent for appropriations less than twenty million dollars but more than fifteen million dollars; four percent for appropriations less than fifteen million dollars but more than ten million dollars; five percent for appropriations less than ten million dollars; provided, however, that the general assembly by appropriation from the life sciences research trust fund may authorize a limited amount of additional moneys to be expended for administrative costs.

208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1 of section 208.760 from a family development account by an account holder are exempted from taxation pursuant to chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, and chapter 147, 148 or 153 provided, however, that any money withdrawn for an unapproved use should be subject to tax as required by law.

2. Interest earned by a family development account is exempted from taxation pursuant to chapter 143.

3. Any funds in a family development account, including accrued interest, shall be disregarded when determining eligibility to receive, or the amount of, any public assistance or benefits.

4. A program contributor shall be allowed a credit against the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, and chapter 147, 148 or 153, pursuant to sections 208.750 to 208.775. For all taxable years ending on or before December 31, 2011, contributions up to

fifty thousand dollars per program contributor are eligible for the tax credit which shall not exceed fifty percent of the contribution amount. For all taxable years beginning on or after January 1, 2012, program contributors shall be eligible for the tax credit which shall not exceed fifty percent of the amount of contributions made, if such contributions are equal to or less than one thousand dollars. In addition to the fifty percent credit allowed for contributions equal to or less than one thousand dollars provided under this subsection, program contributors that make contributions in excess of one thousand dollars, shall be eligible for a credit equal to thirty-five percent of such excess. Tax credits provided under this section may be transferred, sold, or assigned.

5. The department of economic development shall verify all tax credit claims by contributors. The administrator of the community-based organization, with the cooperation of the participating financial institutions, shall submit the names of contributors and the total amount each contributor contributes to a family development account reserve fund for the calendar year. The director shall determine the date by which such information shall be submitted to the department by the local administrator. The department shall submit verification of qualified tax credits pursuant to sections 208.750 to 208.775 to the department of revenue.

6. For all fiscal years ending on or before June 30, 2010, the total tax credits authorized pursuant to sections 208.750 to 208.775 shall not exceed four million dollars in any fiscal

year. For all fiscal years beginning on or after July 1, 2010, the total tax credits authorized under sections 208.750 to 208.775 shall not exceed three hundred thousand dollars in any fiscal year.

7. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

215.020. 1. There is hereby created and established as a governmental instrumentality of the state of Missouri the "Missouri Housing Development Commission" which shall constitute a body corporate and politic.

2. The commission shall consist of the governor, lieutenant governor, the state treasurer, the state attorney general, and six members to be selected by the governor, with the advice and consent of the senate. The persons to be selected by the governor, president pro tem of the senate, or speaker of the house of representatives shall be individuals knowledgeable in the areas of housing, finance or construction. Not more than four of the members appointed by the governor shall be from the same political party. The members of the commission appointed by the governor shall serve the following terms: Two shall serve two years, two shall serve three years, and two shall serve four years, respectively. Thereafter, each

appointment shall be for a term of four years. If for any reason a vacancy occurs, the governor, with the advice and consent of the senate, shall appoint a new member to fill the unexpired term. Members are eligible for reappointment.

3. Six members of the commission shall constitute a quorum. No vacancy in the membership of the commission shall impair the right of a quorum to exercise all the rights and perform all the duties of the commission. No action shall be taken by the commission except upon the affirmative vote of at least six of the members of the commission.

4. Each member of the commission appointed by the governor **[**is**]** president pro tem of the senate, or speaker of the house of representatives shall be entitled to compensation of fifty dollars per diem plus his reasonable and necessary expenses actually incurred in discharging his duties under sections 215.010 to 215.250.

5. Notwithstanding provisions of this section to the contrary, after the effective date of this act, no elected official shall serve as a member of the commission and the commission shall consist of six members. The president pro tem of the senate shall appoint one member to serve for a two year term to fill one of the vacancies existing as of the effective date of this act. The speaker of the house of representatives shall appoint one member to serve for a four year term to fill the remaining vacancy existing as of the effective date of this act. Upon the subsequent expiration of the term of any member of the commission appointed prior to the effective date of this

act:

(1) The first vacancy created shall be filled by a person, selected by the speaker of the house of representatives, who shall serve for a four year term; and

(2) The second vacancy created shall be filled by a person, selected by the president pro tem of the senate, who shall serve a two year term;

Any subsequent vacancy, created by the expiration of the term of a member of the commission, shall be filled by a person, selected by the office which made the appointment for such member, who shall serve a four year term. If a vacancy occurs for any reason other than the expiration of a term, the office which made the appointment for such member shall appoint a new member to fill the unexpired term. Any appointment to the commission made by the governor shall be subject to the advice and consent of the senate.

6. Notwithstanding provisions of subsection 3 of this section to the contrary, after the effective date of this act, four members of the commission shall constitute a quorum. No vacancy in the membership of the commission shall impair the right of a quorum to exercise all the rights and perform all the duties of the commission. No action shall be taken by the commission except upon the affirmative vote of at least four of the members of the commission. One member of the commission shall be selected annually to serve as the chairperson of the commission. The initial selection of such chairperson shall be

made by speaker of the house of representatives, and thereafter such selection shall alternative between the president pro tem of the senate and the speaker of the house of representatives.

7. There is hereby created in the state treasury the "Missouri Housing Development Commission Operating Budget Fund", which shall consist of money transferred by the commission under sections 215.030 to 215.034. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for the operating expenses and cost of administration of programs administered by the commission. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

215.030. 1. The commission is hereby granted, has and may exercise all powers necessary or appropriate to carry out and effectuate its purpose, including but not limited to the following:

(1) To make, purchase or participate in the purchase of uninsured, partially insured or fully insured loans, including mortgages insured or otherwise guaranteed by the federal government, or mortgages insured or otherwise guaranteed by other insurers of mortgages to approved mortgagors to finance

the building, rehabilitation or purchase of residential housing designed and planned to be available for rental or sale to low-income or moderate-income persons or families, as well as to finance the building, rehabilitation or purchase of residential housing in distressed communities as defined in section 135.530 planned to be available for rental or sale to persons or families of any income level, or which will be occupied and owned by low-income or moderate-income persons, persons of any income level in distressed communities or families upon such terms as designated in sections 215.010, 215.030, 215.060, 215.070, 215.090 and 215.160; or to purchase or participate in the purchase of any other securities which are secured, directly or indirectly, by any such loan;

(2) Insure any loan, the funds of which are to be used for the purposes of sections 215.010 to 215.250 and the borrower of which agrees to the restrictions placed on such projects by the commission;

(3) To make or participate in the making of uninsured or federally insured construction loans to approve mortgagors of residential housing for occupancy by persons and families of low to moderate income or occupancy by persons and families of any income level in distressed communities as defined in section 135.530. Such loans shall be made only upon determination by the commission that construction loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions. No commitment for a loan, except a "commitment in principle", shall be made unless all

plans for development have been completed and submitted to the commission;

(4) To make temporary loans, with or without interest, but with such security for repayment as the commission deems reasonably necessary and practicable, to defray development costs to approved mortgagors of residential housing for occupancy by persons and families of low and moderate income;

(5) Adopt bylaws for the regulation of its affairs and the conduct of its business and define, from time to time, the terms "low-income" and "moderate-income" so as to best carry out the purposes of sections 215.010 to 215.250 for the people intended hereby to be assisted. The definition may vary from one part of the state to another depending on economic factors in each section;

(6) To accept appropriations, gifts, grants, bequests, and devises and to utilize or dispose of the same to carry out its purpose;

(7) To make and execute contracts, releases, compromises, and other instruments necessary or convenient for the exercise of its powers, or to carry out its purpose;

(8) To collect reasonable fees and charges in connection with making and servicing its loans, notes, bonds, obligations, commitments, and other evidences of indebtedness, and in connection with providing technical, consultative and project assistant services. Such fees and charges shall be limited to the amounts required to pay the costs of the commission, including operating and administrative expenses, and reasonable

allowances for losses which may be incurred;

(9) To invest any funds not required for immediate disbursement in obligations of the state of Missouri or of the United States government or any instrumentality thereof, the principal and interest of which are guaranteed by the state of Missouri, or the United States government or any instrumentality thereof, or bank certificates of deposit, or, in the case of funds pledged to note or bond issues of the commission, in such investments as the commission may determine; provided that on the date of issuance such note or bond issues are rated by Standard & Poor's Corporation not lower than "AA" in the case of long-term obligations or "SP-1+" in the case of short-term obligations or rated by Moody's Investors Service, Inc., not lower than "Aa" in the case of long-term obligations or Moody's Investment Grade I in the case of short-term obligations, or the equivalent ratings by such rating agencies in the event the ratings described in this section are changed;

(10) To sue and be sued;

(11) To have a seal and alter the same at will;

(12) To make, and from time to time, amend and repeal bylaws, rules and regulations not inconsistent with the provisions of sections 215.010 to 215.250;

(13) To acquire, hold and dispose of personal property for its purposes;

(14) To enter into agreements or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association or organization;

(15) To acquire real property, or an interest therein, in its own name, to sell, transfer and convey any such property to a buyer, to lease such property to a tenant to manage and operate such property, to enter into management contracts with respect to such property and to mortgage such property;

(16) To sell, at public or private sale, any mortgage, negotiable instrument or obligation securing a construction, land development, mortgage or temporary loan;

(17) To procure insurance against any loss in connection with its property in such amounts, and from such insurers, as may be necessary or desirable;

(18) To consent, whenever it deems it necessary or desirable in the fulfillment of its purpose, to the modification of the rate of interest, time of payment or any installment of principal or interest, or any other terms, of any mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract or agreement of any kind to which the commission is a party;

(19) To make and publish rules and regulations respecting its lending, insurance of loans, federally insured construction lending and temporary lending to defray development costs and any such other rules and regulations as are necessary to effectuate its purpose;

(20) To borrow money to carry out and effectuate its purpose and to issue its negotiable bonds or notes as evidence of any such borrowing in such principal amounts and upon such terms as shall be necessary to provide sufficient funds for

achieving its purpose, and to secure such bonds or notes by the pledge of revenues, mortgages or notes of others;

(21) To issue renewal notes, to issue bonds to pay notes, and whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured;

(22) To apply the proceeds from the sale of renewal notes or refunding bonds to the purchase, redemption, or payment of the notes or bonds to be refunded;

(23) To provide technical services to assist in the planning, processing, design, construction or rehabilitation of residential housing for occupancy by persons and families of low and moderate income, persons and families in distressed communities as defined in section 135.530 of any income level or land development for residential housing for occupancy by persons and families of low and moderate income or persons and families in distressed communities of any income level;

(24) To provide consultative project assistance services for residential housing for occupancy by persons and families of low and moderate income or persons and families of any income level in distressed communities as defined in section 135.530 and for land development for residential housing for occupancy by persons and families of low and moderate income, or for persons and families of any income level in distressed communities and for the residents thereof with respect to management, training and social services;

(25) To promote research and development in scientific

methods of constructing low cost residential housing of high durability; [and]

(26) To make, purchase or participate in the purchase of uninsured, partially insured or fully insured loans and home improvement loans to sponsors to finance the weatherization of single and multifamily dwellings, and shall issue its negotiable bonds or notes for such purpose; and

(27) To transfer moneys from any fund administered by the commission to the Missouri housing development commission operating budget fund for appropriation, by the general assembly, to offset operating expenses and administrative costs of the commission, provided such transfer is not otherwise inconsistent with applicable state or federal law.

2. The operating budget of the commission shall be subject to annual appropriations. Except as provided under subdivision (27) of subsection 1 of this section, the commission shall not use any moneys within a fund administered by the commission to offset or pay operating expenses or administrative costs of the commission.

3. Any rule or portion of a rule, as that term is defined in section 536.010, that is promulgated under the authority of this chapter, shall become effective only if the agency has fully complied with all of the requirements of chapter 536 including but not limited to, section 536.028 if applicable, after January 1, 1999. All rulemaking authority delegated prior to January 1, 1999, is of no force and effect and repealed as of January 1, 1999, however nothing in this act shall be

interpreted to repeal or affect the validity of any rule adopted and promulgated prior to January 1, 1999. If the provisions of section 536.028 apply, the provisions of this section are nonseverable and if any of the powers vested with the general assembly pursuant to section 536.028 to review, to delay the effective date, or to disapprove and annul a rule or portion of a rule are held unconstitutional or invalid, the purported grant of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall be invalid and void, except that nothing in this act shall affect the validity of any rule adopted and promulgated prior to January 1, 1999.

215.033. 1. The Missouri housing development commission is hereby granted all powers necessary to create a nonprofit corporation to promote one or more housing equity funds to serve the state of Missouri. The nonprofit corporation shall be known as the "Missouri Equity Fund Support Corporation". The purpose of the housing equity fund is to receive annual capital investments from investors and to invest those funds in the construction or renovation of affordable housing units for low-income families throughout the state of Missouri. The nonprofit corporation shall not be deemed to be a political subdivision of the state and shall not be subject to the requirements of chapter 610.

2. As used in this section, the following terms mean:

(1) "Developer", any entity responsible for a tax credit development;

(2) "Housing equity fund", the fund or funds established

to receive and invest moneys invested by the investors in tax credit developments;

(3) "Investors", individuals, profit-making private corporations, partnerships or other entities which invest money in the housing equity fund and who generally pay Missouri income taxes;

(4) "Nonprofit corporation", the "Missouri Equity Fund Support Corporation";

(5) "Tax credit development", a development which constructs or rehabilitates affordable housing in the state of Missouri which is eligible for state and federal low-income housing tax credits, or federal rehabilitation tax credits.

3. The nonprofit corporation shall establish and operate, or assist and advise in the establishment and operation of the housing equity fund which receives investments from investors and invest such funds in tax credit developments.

4. The nonprofit corporation shall have the following powers:

(1) To contract with corporations and partnerships operating or intending to operate a housing equity fund, to provide to them in exchange for reasonable compensation the following services:

(a) Legal counsel and representation;

(b) Technical assistance; (c) Administrative assistance;

(d) Marketing of the housing equity fund to potential investors;

(e) Investment underwriting assistance;

(2) To sue and be sued;

(3) To engage in and contract for any and all types of services, actions or endeavors, not contrary to the law, necessary to the successful and efficient operation and continuation of the business and purposes for which it is created;

(4) To purchase, receive, lease or otherwise acquire, own, hold, improve, use, sell, convey, exchange, transfer and otherwise dispose of real and personal property, or any interest therein, or other assets wherever situated; and

(5) To incur liabilities and borrow money at rates of interest up to the market rate.

5. The governor shall appoint a board of directors to oversee the nonprofit corporation. The board shall consist of a total of sixteen members, who have demonstrated knowledge of housing and related issues. Such board shall include the following:

(1) A representative of real estate brokers and agents;

(2) A representative of residential appraisers;

(3) A representative of affordable housing advocates, which include homeless service providers, not-for-profit social service organizations and not-for-profit housing providers;

(4) A representative of the home construction industry;

(5) A representative of banking and savings and loan institutions;

(6) Five representatives of investors who have made

capital investments in housing equity funds which have entered, or can reasonably be expected to enter, into service contracts with the nonprofit corporation, or representatives of the investment partners of such investors. If unable to select suitable members in this category, the governor may instead select additional representatives from subdivisions (1) to (5) of this subsection;

(7) By virtue of the office, the treasurer shall be a member of the board;

(8) By virtue of the office, the lieutenant governor shall be a member of the board;

(9) By virtue of the office, the governor shall be a member of the board;

(10) By virtue of the office, the secretary of state shall be a member of the board;

(11) By virtue of the office, the director of the department of economic development shall be a member of the board; and

(12) By virtue of the office, the director of the Missouri housing development commission shall be a member of the board.

6. Except for members serving by virtue of the office, the members' term of office shall be four years and until their successors are appointed, except that of the members first appointed, four shall be appointed for a term of two years, three shall be appointed for a term of three years, and three shall be appointed for a term of four years. Vacancies on the board shall be filled in the same manner as the original

appointments, except that, if the vacancy occurs during an unexpired term, the appointment shall be for only the unexpired portion of that term.

7. Board members of the nonprofit corporation shall not be compensated for their services while serving on the board; however, board members may receive reimbursement for their actual and necessary expenses incurred in the performance of their duties.

8. The board shall elect chair and other such officers as it deems necessary for the conduct of its business. If so required by the board, an officer shall give bond, in such form and amounts and with such sureties as the board may provide, for the faithful discharge of such officer's duties, but the premiums for any such bond shall be borne by the nonprofit corporation.

9. The board shall employ all necessary personnel, fix their compensation, and provide suitable quarters and equipment for the operation of the housing equity fund.

10. The Missouri housing development commission may provide the necessary start-up costs for the nonprofit corporation by grant or loan and may<u>, subject to appropriation from the Missouri housing development commission operating budget fund established under section 215.020,</u> provide subsequent operating funds as it determines.

11. The nonprofit corporation shall publish an annual report which shall include, but not be limited to, a description of its efforts in establishing and maintaining the operation of

the housing equity fund, the types of projects invested in and fund expenditures made by the housing equity fund. Copies of such annual reports shall be submitted to the governor, the members of the general assembly and the Missouri housing development commission on or before February fifteenth of each year.

215.034. 1. The "Missouri Housing Trust Fund" is hereby established in the state treasury. At the conclusion of each fiscal year, the state treasurer shall allocate all moneys in the Missouri housing trust fund to the Missouri housing development commission for disbursement and investment as directed in this section. Moneys deposited in the fund shall include the designated funds received from the user fee established in section 59.319, money transferred from the Missouri housing development commission and any other amounts which may be received from grants, gifts, bequests, the state or federal government, or any other source. Moneys in the fund shall be used solely for the purposes established by sections 215.034 to 215.039.

2. The Missouri housing development commission may annually transfer moneys, in an amount equal to all administrative costs of this program incurred by the Missouri housing development commission **[**shall be paid**]**, from this fund **[**, which costs annually**]** to the Missouri housing development commission operating budget fund, provided that such transfer shall not exceed two percent of the net annual revenues received into the fund established under this section.

3. In administering the Missouri housing trust fund, the Missouri housing development commission shall commit or expend the money annually deposited into the fund and all interest earned on the fund. All money annually deposited in and interest earned on the housing trust fund shall be expended solely for the purposes established in sections 215.034 to 215.039.

4. The unexpended balance existing in the fund at the end of any biennium year shall be exempt from the provisions of section 33.080 relating to the transfer of unexpended balances to the general revenue fund.

253.545. As used in sections 253.545 to 253.559, the following terms mean, unless the context requires otherwise:

(1) "Certified historic structure", a property located in Missouri and listed individually on the National Register of Historic Places;

(2) "Deed in lieu of foreclosure or voluntary conveyance", a transfer of title from a borrower to the lender to satisfy the mortgage debt and avoid foreclosure;

(3) "Eligible property", property located in Missouri and offered or used for residential or business purposes;

(4) "Leasehold interest", a lease in an eligible property for a term of not less than thirty years;

(5) "Principal", a managing partner, general partner, or president of a taxpayer;

(6) "Structure in a certified historic district", a structure located in Missouri which is certified by the

department of natural resources as contributing to the historic significance of a certified historic district listed on the National Register of Historic Places, or a local district that has been certified by the United States Department of the Interior;

(7) "Taxpayer", any person, firm, partnership, trust, estate, limited liability company, or corporation;

(8) "Total costs and expenses of rehabilitation", all costs and expenses related to the rehabilitation of eligible property that is a certified historic structure or a structure in a certified historic district including, but not limited to, qualified rehabilitation expenditures as defined in Section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and any related regulations promulgated under such section. Such costs and expenses shall include, but not be limited to, rehabilitation work in progress and accrued developer fees. Provided however, that accrued developer fees shall only be considered "total costs and expenses of rehabilitation" if an agreement or other contractual document provides for the payment of such fees within no more than six years of completion of the rehabilitation.

253.550. 1. Any taxpayer incurring costs and expenses for the rehabilitation of eligible property, which is a certified historic structure or structure in a certified historic district, may, subject to the provisions of this section and section 253.559, receive a credit against the taxes imposed pursuant to chapters 143 and 148, except for sections 143.191 to

143.265, on such taxpayer in an amount equal to twenty-five percent of the total costs and expenses of rehabilitation incurred after January 1, 1998, which shall include, but not be limited to, qualified rehabilitation expenditures as defined under section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the related regulations thereunder, provided the rehabilitation costs associated with rehabilitation and the expenses exceed fifty percent of the total basis in the property and the rehabilitation meets standards consistent with the standards of the Secretary of the United States Department of the Interior for rehabilitation as determined by the state historic preservation officer of the Missouri department of natural resources.

2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010, the department of economic development shall not approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy million dollars, increased by any amount of tax credits for which approval shall be rescinded under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010, <u>but ending on or before June 30, 2011,</u> the department of economic development shall not approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed one hundred forty million dollars, increased by any amount of tax credits for which approval shall be rescinded under the provisions of section 253.559. The limitations

provided under this subsection shall not apply to applications approved under the provisions of subsection 3 of section 253.559 for projects to receive less than two hundred seventy-five thousand dollars in tax credits.

3. For all applications for tax credits approved on or after January 1, 2010, but before June 30, 2011, no more than two hundred fifty thousand dollars in tax credits may be issued for eligible costs and expenses incurred in the rehabilitation of an eligible property which is a nonincome producing single-family, owner-occupied residential property and is either a certified historic structure or a structure in a certified historic district.

4. The limitations on tax credit authorization provided under the provisions of subsections 2 and 3 of this section shall not apply to:

(1) Any application submitted by a taxpayer, which has received approval from the department prior to January 1, 2010; or

(2) Any taxpayer applying for tax credits, provided under this section, which, on or before January 1, 2010, has filed an application with the department evidencing that such taxpayer:

(a) Has incurred costs and expenses for an eligible property which exceed the lesser of five percent of the total project costs or one million dollars and received an approved Part I from the Secretary of the United States Department of Interior; or

(b) Has received certification, by the state historic

preservation officer, that the rehabilitation plan meets the standards consistent with the standards of the Secretary of the United States Department of the Interior, and the rehabilitation costs and expenses associated with such rehabilitation shall exceed fifty percent of the total basis in the property.

5. For each fiscal year beginning on or after July 1, 2011, the department of economic development shall not approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed eighty million dollars, increased by any amount of tax credits for which approval shall be rescinded under the provisions of section 253.559. The limitations provided under this subsection shall not apply to applications approved under the provisions of subsection 3 of section 253.559 for projects to receive less than two hundred seventy-five thousand dollars in tax credits.

6. For all applications for tax credits approved on or after July 1, 2011, no more than one hundred and twenty-five thousand dollars in tax credits may be issued for eligible costs and expenses incurred in the rehabilitation of an eligible property which is a nonincome producing single-family, owner-occupied residential property and is either a certified historic structure or a structure in a certified historic district.

7. In lieu of the limitations on tax credit authorization provided under the provisions of subsections 5 and 6 of this section, the limitations on tax credit authorization provided under the provisions of subsections 2 and 3 of this section

shall apply to:

(1) Any application submitted by a taxpayer, which has received approval from the department prior to July 1, 2011; or

(2) Any application for tax credits provided under this section for a project, which on or before July 1, 2011,:

(a) Received an approved Part I from the Secretary of the United States Department of Interior and has incurred costs and expenses for an eligible property which exceed the lesser of fifteen percent of the total project costs or three million dollars; or

(b) Has received certification, by the state historic preservation officer, that the rehabilitation plan meets the standards consistent with the standards of the Secretary of the United States Department of the Interior, and the rehabilitation costs and expenses associated with such rehabilitation would, upon completion, be expected to exceed fifty percent of the total basis in the property.

8. For each fiscal year beginning on or after July 1, 2011, the department of economic development shall not approve applications for projects to receive less than two hundred seventy-five thousand dollars in tax credits which, in the aggregate, exceed ten million dollars, increased by any amount of tax credits for which approval shall be rescinded under the provisions of section 253.559. The limitations on tax credit authorization provided under the provisions of this subsection, shall not apply to:

(1) Any application submitted by a taxpayer, which has

received approval from the department prior to July 1, 2011; or

(2) Any application for tax credits provided under this section for a project, which on or before July 1, 2011,:

(a) Received an approved Part I from the Secretary of the United States Department of Interior and has incurred costs and expenses for an eligible property which exceed five percent of the total project costs; or

(b) Has received certification, by the state historic preservation officer, that the rehabilitation plan meets the standards consistent with the standards of the Secretary of the United States Department of the Interior, and the rehabilitation costs and expenses associated with such rehabilitation would, upon completion, be expected to exceed fifty percent of the total basis in the property.

253.557. 1. If the amount of such credit exceeds the total tax liability for the year in which the rehabilitated property is placed in service, the amount that exceeds the state tax liability may be carried back to any of the three preceding years and carried forward for credit against the taxes imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to 143.265 for the succeeding ten years, or until the full credit is used, whichever occurs first. For all tax credits authorized under the provisions of sections 253.545 to 253.559 on or after July 1, 2011, if the total amount of such credit exceeds the total tax liability for the year in which the rehabilitated property is placed in service, the amount that exceeds the state tax liability may be carried back to the

preceding year and carried forward for credit against the taxes imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to 143.265 for the succeeding five years, or until the full credit is used, whichever occurs first. Not-for-profit entities, including but not limited to corporations organized as not-for-profit corporations pursuant to chapter 355 shall be ineligible for the tax credits authorized under sections 253.545 **[**through 253.561**]** to 253.559. Any taxpayer that receives state tax credits under the provisions of sections 135.350 to 135.363 for a project that is not financed through tax exempt bonds issuance shall be ineligible for the state tax credits authorized under sections 253.545 to 253.559 for the same project. Taxpayers eligible for such tax credits may transfer, sell or assign the credits to any other taxpayer including, but not limited to, a not-for-profit entity. Credits granted to a partnership, a limited liability company taxed as a partnership or multiple owners of property shall be passed through to the partners, members or owners including, but not limited to, any not-for-profit entity that is a partner, member, or owner, respectively pro rata or pursuant to an executed agreement among **[**the**]** such partners, members or owners documenting an alternate distribution method.

2. The assignee of the tax credits, hereinafter the assignee for purposes of this subsection, may use acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to 143.265. The

assignor shall perfect such transfer by notifying the department of economic development in writing within thirty calendar days following the effective date of the transfer and shall provide any information as may be required by the department of economic development to administer and carry out the provisions of this section.

253.559. 1. To obtain approval for tax credits allowed under sections 253.545 to 253.559, a taxpayer shall submit an application for tax credits to the department of economic development. Each application for approval, including any applications received for supplemental allocations of tax credits as provided under subsection 8 of this section, shall be prioritized for review and approval, in the order of the date on which the application was postmarked, with the oldest postmarked date receiving priority. Applications postmarked on the same day shall go through a lottery process to determine the order in which such applications shall be reviewed.

2. Each application shall be reviewed by the department of economic development for approval. In order to receive approval, an application, other than applications submitted under the provisions of subsection 8 of this section, shall include:

(1) Proof of ownership or site control. Proof of ownership shall include evidence that the taxpayer is the fee simple owner of the eligible property, such as a warranty deed or a closing statement. Proof of site control may be evidenced by a leasehold interest or an option to acquire such an

interest. If the taxpayer is in the process of acquiring fee simple ownership, proof of site control shall include an executed sales contract or an executed option to purchase the eligible property;

(2) Floor plans of the existing structure, architectural plans, and, where applicable, plans of the proposed alterations to the structure, as well as proposed additions;

(3) The estimated cost of rehabilitation, the anticipated total costs of the project, the actual basis of the property, as shown by proof of actual acquisition costs, the anticipated total labor costs, the estimated project start date, and the estimated project completion date;

(4) Proof that the property is an eligible property and a certified historic structure or a structure in a certified historic district; and

(5) Any other information which the department of economic development may reasonably require to review the project for approval. Only the property for which a property address is provided in the application shall be reviewed for approval. Once selected for review, a taxpayer shall not be permitted to request the review of another property for approval in the place of the property contained in such application. Any disapproved application shall be removed from the review process. If an application is removed from the review process, the department of economic development shall notify the taxpayer in writing of the decision to remove such application. Disapproved applications shall lose priority in the review process. A

disapproved application, which is removed from the review process, may be resubmitted, but shall be deemed to be a new submission for purposes of the priority procedures described in this section.

3. If the department of economic development deems the application sufficient, the taxpayer shall be notified in writing of the approval for an amount of tax credits equal to the amount provided under section 253.550 less any amount of tax credits previously approved. Such approvals shall be granted to applications in the order of priority established under this section and shall require full compliance thereafter with all other requirements of law as a condition to any claim for such credits.

4. Following approval of an application, the identity of the taxpayer contained in such application shall not be modified except:

(1) The taxpayer may add partners, members, or shareholders as part of the ownership structure, so long as the principal remains the same, provided however, that subsequent to the commencement of renovation and the expenditure of at least ten percent of the proposed rehabilitation budget, removal of the principal for failure to perform duties and the appointment of a new principal thereafter shall not constitute a change of the principal; or

(2) Where the ownership of the project is changed due to a foreclosure, deed in lieu of a foreclosure or voluntary conveyance, or a transfer in bankruptcy. Upon any such change

in ownership, the taxpayer contained in such application shall notify the department of such change.

5. In the event that the department of economic development grants approval for tax credits equal to the applicable total amount available under subsection 2, 5, or 8 of section 253.550, or sufficient that when totaled with all other approvals, the applicable amount available under subsection 2, 5, or 8 of section 253.550 is exhausted, all taxpayers with applications then awaiting approval or thereafter submitted for approval shall be notified by the department of economic development that no additional approvals shall be granted during the fiscal year and shall be notified of the priority given to such taxpayer's application then awaiting approval. Such applications shall be kept on file by the department of economic development and shall be considered for approval for tax credits in the order established in this section in the event that additional credits become available due to the rescission of approvals or when a new fiscal year's allocation of credits becomes available for approval.

6. All taxpayers with applications receiving approval on or after the effective date of this act shall commence rehabilitation within two years of the date of issuance of the letter from the department of economic development granting the approval for tax credits. "Commencement of rehabilitation" shall mean that as of the date in which actual physical work, contemplated by the architectural plans submitted with the application, has begun, the taxpayer has incurred no less than

ten percent of the estimated costs of rehabilitation provided in the application. Taxpayers with approval of a project shall submit evidence of compliance with the provisions of this subsection. If the department of economic development determines that a taxpayer has failed to comply with the requirements provided under this section, the approval for the amount of tax credits for such taxpayer shall be rescinded and such amount of tax credits shall then be included in the applicable total amount of tax credits, provided under subsection 2, 5, or 8 of section 253.550, from which approvals may be granted. Any taxpayer whose approval shall be subject to rescission shall be notified of such from the department of economic development and, upon receipt of such notice, may submit a new application for the project.

7. To claim the credit authorized under sections 253.550 to 253.559, a taxpayer with approval shall apply for final approval and issuance of tax credits from the department of economic development **[**which,**]**. Such application for final approval and issuance of tax credits shall include a cost and expense certification, prepared by a licensed certified public accountant that is not an affiliate of the applicant, certifying the total costs and expenses of rehabilitation and the total amount of tax credits for which such taxpayer is eligible under sections 253.550 to 253.559. Cost and expense certifications required under this section shall separately state any accrued developer fees. No later than forty-five calendar days

following receipt of a taxpayer's application for final approval and issuance of tax credits, the department of economic development shall determine, in consultation with the department of natural resources, [shall determine the final amount of eligible rehabilitation costs and expenses and] whether the completed rehabilitation meets the standards of the Secretary of the United States Department of the Interior for rehabilitation as determined by the state historic preservation officer of the Missouri department of natural resources. If the completed rehabilitation meets such standards, the department of economic development shall, within forty-five calendar days following the receipt of the taxpayer's application for final approval and tax credit issuance, inform such taxpayer of its initial determination by letter and issue such taxpayer an initial tax credit issuance. A taxpayer receiving an initial tax credit issuance shall receive tax credit certificates in an amount equal the lesser of seventy-five percent of the total amount of tax credits for which the taxpayer is eligible under sections 253.550 to 253.559, as certified in the cost and expense certification, or the amount of tax credits approved for such project under subsection 3 of this section. Within one hundred and fifty calendar days following receipt of a taxpayer's application for final approval and tax credit issuance, the department shall determine the final amount of eligible rehabilitation costs and expenses. For a taxpayer receiving an initial tax credit issuance, no later than one hundred and fifty calendar days following receipt of such

taxpayer's application for final approval and tax credit issuance, the department shall notify such taxpayer of its final determination by letter and issue such taxpayer tax credit certificates in an amount equal to the lesser of the remaining amount of tax credits for which such taxpayer is eligible to receive under sections 253.550 to 253.559, as determined by the department, or the remaining amount of tax credits for which such taxpayer was approved under subsection 3 of this section, but not issued under the initial tax credit issuance. If the department of economic development determines that the amount of tax credits issued to a taxpayer in the initial tax credit issuance is in excess of the total amount of tax credits such taxpayer is eligible to receive under sections 253.550 to 253.559, the department shall notify such taxpayer and such taxpayer shall repay the state an amount equal to such excess. For financial institutions credits authorized pursuant to sections 253.550 to 253.561 shall be deemed to be economic development credits for purposes of section 148.064. The approval of all applications and the issuing of certificates of eligible credits to taxpayers shall be performed by the department of economic development. **[**The department of economic development shall inform a taxpayer of final approval by letter and shall issue, to the taxpayer, tax credit certificates.**]** The taxpayer shall attach the certificate to all Missouri income tax returns on which the credit is claimed. Taxpayers which receive tax credit certificates under sections 253.550 to 253.559, attributable to accrued developer fees shall, within six years

of completion of rehabilitation, submit an additional cost and expense certification verifying the total amount of developer fees actually accrued and paid. To the extent the amount of developer fees contained in a taxpayer's cost and expense certification included with such taxpayers application for final approval and tax credit issuance exceeds the amount of developer fees actually accrued and paid, as evidenced by the additional cost and expense certification, such taxpayer shall repay to the state an amount equal to twenty-five percent of such excess.

8. Except as expressly provided in this subsection, tax credit certificates shall be issued in the final year that costs and expenses of rehabilitation of the project are incurred, or within the twelve-month period immediately following the conclusion of such rehabilitation. In the event the amount of eligible rehabilitation costs and expenses incurred by a taxpayer would result in the issuance of an amount of tax credits in excess of the amount provided under such taxpayer's approval granted under subsection 3 of this section, such taxpayer may apply to the department for issuance of tax credits in an amount equal to such excess. Applications for issuance of tax credits in excess of the amount provided under a taxpayer's application shall be made on a form prescribed by the department. Such applications shall be subject to all provisions regarding priority provided under subsection 1 of this section.

9. The department of economic development shall determine, on an annual basis, the overall economic impact to the state

from the rehabilitation of eligible property.

10. (1) Taxpayers or duly authorized representatives may appeal any official decision, including all preliminary or final approvals and denials of approvals, made by the department or the department of natural resources with regard to an application submitted under sections 253.550 to 253.559 to an independent third-party appeals officer designated by the department. Such appeals under this section shall constitute an administrative review of the decision appealed from and shall not be conducted as an adjudicative proceeding.

(2) Appeals shall be submitted to the designated appeals officer in writing within thirty days of receipt by the taxpayer or the taxpayer's duly authorized representative of the decision that is the subject of the appeal, and shall include all information the appellant wishes the appeals officer to consider in deciding the appeal.

(3) Upon receipt of an appeal, the appeals officer shall notify the department or the department of natural resources that an appeal is pending, identify the decision being appealed, and forward a copy of the information submitted by the appellant. The department or the department of natural resources may submit a written response to the appeal.

(4) The appellant shall be entitled to one meeting with the appeals officer to discuss the appeal, but the appeals officer may schedule additional meetings at the officer's discretion. The department or the department of natural resources may appear at all meetings.

(5) The appeals officer shall consider the record of the decision in question, any further written submissions by the appellant and the department or the department of natural resources, and other available information, and shall deliver a written decision to all parties as promptly as circumstances permit.

11. Notwithstanding any provision of law to the contrary, no tax credits provided under sections 253.545 to 253.559 shall be authorized on or after August 28, 2018. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2018, or a taxpayer's ability to redeem such tax credits.

12. By no later than January 1, 2012, the department shall propose rules to implement the provisions of sections 253.550 to 253.559. Prior to proposing such rules, the department shall conduct a stakeholder process designed to solicit input from interested parties. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated herein shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28,

2011, shall be invalid and void.

348.250. Sections 348.250 to 348.275 shall be known and may be cited as the "Missouri Science and Innovation Reinvestment Act".

348.251. 1. As used in sections 348.251 to 348.266, the following terms mean:

(1) "Applicable percentage", six percent for the fiscal year beginning July 1, 2012, and the next fourteen consecutive fiscal years; five percent for the immediately subsequent five fiscal years; and four percent for the immediately subsequent five fiscal years;

(2) "Applied research", any activity that seeks to utilize, synthesize, or apply existing knowledge, information, or resources to the resolution of a specific problem, question, or issue of science and innovation, including but not limited to translational research;

(3) "Base year", fiscal year ending June 30, 2010;

(4) "Base year gross wages", gross wages paid by science and innovation companies to science and innovation employees during fiscal year ending June 30, 2010;

(5) "Basic research", any original investigation for the advancement of scientific or technical knowledge of science and innovation;

(6) "Commercialization", any of the full spectrum of activities required for a new technology, product, or process to be developed from the basic research or conceptual stage through applied research or development to the marketplace, including

without limitation, the steps leading up to and including licensing, sales, and service;

(7) "Corporation", the Missouri technology corporation established under this section;

(8) "Fields of applicable expertise", any of the following fields: science and innovation research, development, or commercialization, including basic research and applied research; corporate finance, venture capital, and private equity related to science and innovation; the business and management of science and innovation companies; education related to science and innovation; or civic or corporate leadership in areas related to science and innovation;

(9) "Inherent conflict of interest", a fundamental or systematic conflict of interest that prevents a person from serving as a disinterested director of the corporation and from routinely performing his or her duties as a director of the corporation;

(10) "NAICS industry groups" or "NAICS codes", the North American Industry Classification System developed under the auspices of the United States Office of Management and Budget and adopted in 1997, as may be amended, revised, or replaced by similar classification systems for similar uses from time to time;

(11) "Science and innovation", the use of compositions and methods in research, development, and manufacturing processes for such diverse areas as agriculture-biotechnology, animal health, biochemistry, bioinformatics, energy, environment,

forestry, homeland security, information technology, medical devices, medical diagnostics, medical instruments, medical therapeutics, microbiology, nanotechnology, pharmaceuticals, plant biology, and veterinary medicine, including future developments in such areas;

(12) "Science and innovation company", a corporation, limited liability company, S corporation, partnership, registered limited liability partnership, foundation, association, nonprofit entity, sole proprietorship, business trust, person, group, or other entity that is:

(a) Engaged in the research, development, commercialization, or business of science and innovation in the state, including, without limitation, research, development, or production directed toward developing or providing science and innovation products, processes, or services for specific commercial or public purposes, including hospitals, nonprofit research institutions, incubators, accelerators, and universities currently located or involved in the research, development, commercialization, or business of science and innovation in the state; or

(b) Identified by the following NAICS industry groups or NAICS codes or any amended or successor code sections covering such areas of research, development, and commercial endeavors: 3251; 3253; 3254; 3391; 51121; 54138; 54171; 62231; 111191; 111421; 111920; 111998; 311119; 311211; 311221; 311222; 311223; 325193; 325199; 325221; 325222; 325611; 325612; 325613; 325311; 325312; 325314; 325320; 325411; 325412; 325414; 333298; 334510;

334516; 334517; 339111; 339112; 339113; 339114; 339115; 339116; 424910; 541710; 621511; and 621512.

Each of the above listed four-digit and five-digit codes shall include all six-digit codes in such four-digit and five-digit industry; however, each six-digit code shall stand alone and not indicate the inclusion of other omitted six-digit codes that also are subsets of the pertinent four-digit or five-digit industry to which the included six-digit code belongs;

(13) "Science and innovation employee", any employee, officer, or director of a science and innovation company who is a state income taxpayer and any employee of a university who is associated with or supports the research, development, commercialization, or business of science and technology in the state and is obligated to pay state income tax to the state;

(14) "Technology application", the introduction and adaptation of refined management practices in fields such as scheduling, inventory management, marketing, product development, and training in order to improve the quality, productivity and profitability of an existing firm. Technology application shall be considered a component of business modernization;

[(2) "Technology commercialization", the process of moving investment-grade technology from a business, university or laboratory into the marketplace for application;

(3)**]** (15) "Technology development", strategically focused research directed at developing investment-grade technologies

which are important for market competitiveness.

2. The governor may, on behalf of the state and in accordance with chapter 355, RSMo, establish a private not-for-profit corporation named the "Missouri Technology Corporation", to carry out the provisions of sections 348.251 to 348.266. As used in sections **[**348.251 to 348.266**]** 348.250 to 348.275 the word "corporation" means the Missouri technology corporation authorized by this section. Before certification by the governor, the corporation shall conduct a public hearing for the purpose of giving all interested parties an opportunity to review and comment **[**upon**]** on the articles of incorporation, bylaws and **[**method**]** methods of operation of the corporation. Notice of the hearing shall be given at least fourteen days prior to the hearing.

348.256. 1. The articles of incorporation **[**and**]**, bylaws, and methods of operation of the Missouri technology corporation shall **[**provide that:**]** be consistent with the provisions of sections 348.250 to 348.275.

[(1)**]** 2. The purposes of the corporation are to contribute to the strengthening of the economy of the state through the development of science and **[**technology**]** innovation, to promote the modernization of Missouri businesses by supporting the transfer of science, technology and quality improvement methods to the workplace**[**, and**]**; to enhance the productivity and modernization of Missouri businesses by providing leadership in the establishment of methods of technology application, technology commercialization and technology development; to make

Missouri businesses, institutions, and universities more competitive and increase their likelihood of success; to support and enhance local and regional strategies and initiatives that capitalize on the unique science and innovation assets across the state; to make Missouri a highly desirable state in which to conduct, facilitate, support, fund, and perform science and innovation research, development, and commercialization; to facilitate and effect the creation, attraction, retention, growth, and enhancement of both existing and new science and innovation companies in the state; to make Missouri a national and international leader in economic activity based on science and innovation; to enhance workforce development; to create and retain quality jobs; to advance scientific knowledge; and to improve the quality of life for the citizens of the state of Missouri in both urban and rural communities.

[(2)**]** 3. The board of directors of the corporation **[**is**]** shall be composed of fifteen persons. The governor shall annually appoint one of its members, who must be from the private sector, as **[**chairman**]** chairperson. The board shall consist of the following members:

[(a)**]** (1) The director of the department of economic development, or the director's designee;

[(b)**]** (2) The president of the University of Missouri system, or the president's designee;

[(c)**]** (3) A member of the state senate, appointed by the president pro tem of the senate;

[(d)**]** (4) A member of the house of representatives,

appointed by the speaker of the house;

[(e)**]** (5) Eleven members appointed by the governor, **[**two of which shall be from the public sector and nine members from the private sector who shall include, but shall not be limited to, individuals who represent technology-based businesses and industrial interests;

(f)**]** with the advice and consent of the senate, who are recognized for outstanding knowledge, leadership, and expertise in one or more of the fields of applicable expertise.

Each of the directors of the corporation who is appointed by the governor shall serve for a term of four years and until a successor is duly appointed**[**; except that, of the directors serving on the corporation as of August 28, 1995, three directors shall be designated by the governor to serve a term of four years, three directors shall be designated to serve a term of three years, three directors shall be designated to serve a term of two years, and two directors shall be designated to serve a term of one year. Each director shall continue to serve until a successor is duly appointed by the governor;

(3) The corporation may receive money from any source, may borrow money, may enter into contracts, and may expend money for any activities appropriate to its purpose;

(4) The corporation may appoint staff and do all other things necessary or incidental to carrying out the functions listed in section 348.261;

(5)**]**.

4. Any changes in the articles of incorporation or bylaws must be approved by the governor[;].

[(6) The corporation shall submit an annual report to the governor and to the Missouri general assembly. The report shall be due on the first day of November for each year and shall include detailed information on the structure, operation and financial status of the corporation. The corporation shall conduct an annual public hearing to receive comments from interested parties regarding the report, and notice of the hearing shall be given at least fourteen days prior to the hearing; and

(7)] 5. At the discretion of the state auditor, the corporation is subject to an [annual] audit [by the state auditor] and [that] the corporation shall bear the full cost of the audit.

6. Each of the directors of the corporation provided for in subdivisions (1) and (2) of subsection 3 of this section shall remain a director until the designating individual specified in such subdivisions designates a replacement by sending a written communication to the governor and the chairperson of the board of the corporation; provided however, that if the director of economic development or the president of the University of Missouri system designates himself or herself to the corporation board, such person's service as a corporation director shall cease immediately when that person no longer serves as the director of economic development or as the president of the University of Missouri system. Each of the

directors of the corporation provided for in subdivisions (3) and (4) of subsection 3 of this section shall remain a director until the appointing member of the general assembly specified in such subdivisions appoints a replacement by sending a written communication to the governor and the chairperson of the corporation board; provided however, that if the speaker of the house or the president pro tem of the senate appoints himself or herself to the corporation board, such person's service as a corporation director shall cease immediately when that person no longer serves as the speaker of the house or the president pro tem of the senate.

7. Each of the eleven members of the board appointed by the governor shall:

(1) Hold office for the term of appointment and until the governor duly appoints his or her successor; provided that if a vacancy is created by the death, permanent disability, resignation, or removal of a director, such vacancy shall become immediately effective;

(2) Be eligible for reappointment, but members of the board shall not be eligible to serve more than two consecutive four-year terms and shall not be reappointed to the board until they have not served on the board for a period of at least four interim years;

(3) Not have a known inherent conflict of interest at the time of appointment; and

(4) Not have served in an elected office or a cabinet position in state government for a period of two years prior to

appointment, unless otherwise provided in this section.

8. Any member of the board may be removed by affirmative vote of eleven members of the board for malfeasance or misfeasance in office, regularly failing to attend meetings, failure to comply with the corporation's conflicts of interest policy, conviction of a felony, or for any cause that renders the member incapable of or unfit to discharge the duties of a director of the corporation.

9. The board shall meet at least four times per year and at such other times as it deems appropriate, or upon call by the president or the chairperson, or upon written request of a majority of the directors of the board. Unless otherwise restricted by Missouri law, the directors may participate in a meeting of the board by means of telephone conference or other electronic communications equipment whereby all persons participating in the meeting can communicate clearly with each other, and participation in a meeting in such manner will constitute presence in person at such meeting.

10. A majority of the total voting membership of the board shall constitute a quorum for meetings. The board may act by a majority of those at any meeting where a quorum is present, except upon such issues as the board may determine shall require a vote of more members of the board for approval or as required by law. All resolutions and orders of the board shall be recorded and authenticated by the signature of the secretary or any assistant secretary of the board.

11. Members of the board shall serve without compensation.

Members of the board attending meetings of the board, or attending committee or advisory meetings thereof, shall be paid mileage and all other applicable expenses, provided that such expenses are reasonable, consistent with policies established from time to time by the board, and not otherwise inconsistent with law.

12. The board may adopt, repeal, and amend such articles of incorporation, bylaws, and methods of operation that are not contrary to law or inconsistent with sections 348.250 to 348.275, as it deems expedient for its own governance and for the governance and management of the corporation and its committees and advisory boards; provided that any changes in the articles of incorporation or bylaws approved by the board must also be approved by the governor.

13. A president shall direct and supervise the administrative affairs and the general management of the corporation. The president shall be a person of national prominence that has expertise and credibility in one or more of the fields of applicable expertise with a demonstrated track record of success in leading a mission-driven organization. The president's salary and other terms and conditions of employment shall be set by the board. The board may negotiate and enter into an employment agreement with the president of the corporation, which may provide for compensation, allowances, benefits, and expenses. The president of the corporation shall not be eligible to serve as a member of the board until two years after the end of his or her employment with the

corporation. The president of the corporation shall be bound by, and agree to obey, the corporation's conflicts of interest policy, including annually completing and submitting to the board a disclosure and compliance certificate in accordance with such conflicts of interest policy.

14. The corporation may employ such employees as it may require and upon such terms and conditions as it may establish that are consistent with state and federal law. The corporation may establish personnel, payroll, benefit, and other such systems as authorized by the board, and provide death and disability benefits. Corporation employees, including the president, shall be considered state employees for the purposes of membership in the Missouri state employees' retirement system and the Missouri consolidated health care plan. Compensation paid by the corporation shall constitute pay from a department for purposes of accruing benefits under the Missouri state employees' retirement system. The corporation may also adopt, in accordance with requirements of the federal Internal Revenue Code of 1986, as amended, a defined contribution plan sponsored by the corporation with respect to employees, including the president, employed by the corporation. Nothing in sections 348.250 to 348.275 shall be construed as placing any officer or employee of the corporation or member of the board in the classified or the unclassified service of the state of Missouri under Missouri laws and regulations governing civil service. No employee of the corporation shall be eligible to serve as a member of the board until two years immediately following the

end of his or her employment with the corporation. All employees of the corporation shall be bound by, and agree to obey, the corporation's conflicts of interest policy, including annually completing and submitting to the board a disclosure and compliance certificate in accordance with such conflicts of interest policy.

15. No later than the first day of January each year, the corporation shall submit an annual report to the governor and to the Missouri general assembly which the corporation may contract with a third party to prepare and which shall include:

(1) A complete and detailed description of the operating and financial conditions of the corporation during the prior fiscal year;

(2) Complete and detailed information about the distributions from the Missouri science and innovation reinvestment fund and from any income of the corporation;

(3) Information about the growth of science and innovation research and industry in the state;

(4) Information regarding financial or performance audits performed in such year, including any recommendations with reference to additional legislation or other action that may be necessary to carry out the purposes of the corporation; and

(5) Whether or not the corporation made any distribution during the prior fiscal year to a research project or other project for which a report shall be filed under subsection 4 of section 38(d) of article III of the Constitution of the State of Missouri. If such a distribution was made, the corporation

shall disclose in the annual report the amount of the distribution, the recipient of the distribution, and the project description.

16. The corporation shall keep its books and records in accordance with generally accepted accounting procedures. Within four months following the end of each fiscal year, the corporation shall cause a firm of independent certified public accountants of national repute to conduct and deliver to the board an audit of the financial statements of the corporation and an opinion thereon, to be conducted in accordance with generally accepted audit standards, provided, however, that this section shall be inapplicable if the board of directors of the corporation determines that insufficient funds have been appropriated to pay for the costs of compliance with these requirements.

17. Within four months following the end of every odd numbered fiscal year, beginning with fiscal year 2016, the corporation shall cause an independent firm of national repute that has expertise in science and innovation research and industry to conduct and deliver to the board an evaluation of the performance of the corporation for the prior two fiscal years, including detailed recommendations for improving the performance of the corporation, provided, however, that this section shall be inapplicable if the board of directors of the corporation determines that insufficient funds have been appropriated to pay for the costs of compliance with these requirements.

18. The corporation shall provide the state auditor a copy of the financial and performance evaluations prepared under subsections 16 and 17 of this section.

19. The corporation shall have perpetual existence until an act of law expressly dissolves the corporation; provided that no such law shall take effect so long as the corporation has obligations or bonds outstanding unless adequate provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the corporation, all property, funds, and assets thereof shall be vested in the state.

20. Except as provided under section 348.266, the state hereby pledges to, and agrees with, recipients of corporation funding or beneficiaries of corporation programs under sections 348.250 to 348.275 that the state shall not limit or alter the rights vested in the corporation under sections 348.250 to 348.275 to fulfill the terms of any agreements made or obligations incurred by the corporation with or to such third parties, or in any way impair the rights and remedies of such third parties until the obligations of the corporation and the state are fully met and discharged in accordance with sections 348.250 to 348.275.

21. The corporation shall be exempt from:

(1) Any general ad valorem taxes upon any property of the corporation acquired and used for its public purposes;

(2) Any taxes or assessments upon any projects or upon any operations of the corporation or the income therefrom;

(3) Any taxes or assessments upon any project or any

property or local obligation acquired or used by the corporation under the provisions of sections 348.250 to 348.275, or upon income therefrom.

Purchases by the corporation to be used for its public purposes shall not be subject to sales or use tax under chapter 144. The exemptions hereby granted shall not extend to persons or entities conducting business on the corporations' property for which payment of state and local taxes would otherwise be required.

22. No funds of the corporation shall be distributed to its employees or members of the board; except that, the corporation may make reasonable payments for expenses incurred on its behalf relating to any of its lawful purposes and the corporation shall be authorized and empowered to pay reasonable compensation for services rendered to, or for, its benefit relating to any of its lawful purposes, including to pay its employees reasonable compensation.

23. The corporation shall adopt and maintain a conflicts of interest policy to protect the corporation's interests by requiring disclosure by an interested party, appropriate recusal by such person, and appropriate action by the interested party or the board where a conflict of interest may exist or arise between the corporation and a director, officer, employee, or agent of the corporation.

348.257. 1. The board shall establish an executive committee of the corporation, to be composed of the chairperson,

the vice-chairperson, and the secretary of the corporation, and two additional directors. The chairperson of the corporation shall serve as the chairperson of the executive committee.

2. The executive committee, in intervals between meetings of the board, may transact any business of the board that has been expressly delegated to the executive committee by the board. If so stipulated by the board, action delegated to the executive committee may be subject to subsequent ratification by the board; provided, however that until ratified or rejected by the board, any action delegated to, and taken by, the executive committee between meetings of the board will be binding upon the corporation as if ratified, and may be relied upon by third parties.

3. The board shall establish an audit committee of the corporation, to be composed of the chairperson of the corporation and four additional directors. The secretary of the corporation shall serve as the chairperson of the audit committee. The audit committee shall be responsible for oversight of the administration of the conflicts of interest policy, working with the president of the corporation to facilitate communications with the corporation's contract auditors, and such other responsibilities delegated to it by the board.

4. The board shall establish and maintain a research alliance of Missouri to be comprised of the chief research officers, or their designee, of the state's leading research universities and a representative of other leading not-for-

profit research institutes headquartered in Missouri. Members of the research alliance of Missouri shall be selected for such terms of membership under such terms and condition as the board deems necessary and appropriate to advance the purposes of sections 348.250 to 348.275 and as comparable to other similar public sector bodies. The research alliance of Missouri shall elect a chairperson on an annual basis. The research alliance of Missouri shall prepare annual reports at the direction of the corporation that:

(1) Evaluate the specific areas of Missouri's research strengths and weaknesses and outline current research priorities of the state;

(2) Evaluate the ability of each member to realign their research and development resources, policies, and practices to seize emerging opportunities;

(3) Evaluate and summarize the best national and international practices for technology commercialization of university research and describe efforts that each university member has undertaken to implement best practices, including a description of the specific outcomes university members have achieved in technology commercialization; and

(4) Describe research collaborations by and between members and identify collaboration best practices that can or should be instituted in Missouri.

5. The board may establish other committees, both permanent and temporary, as it deems necessary. Such committees may include national strategic, scientific and/or

commercialization advisory boards comprised of individuals of national or international prominence in science and innovation and/or the business and commercialization of science and innovation.

6. The board may establish rules, policies, and procedures for the selection and conduct of committees and advisory boards, and the research alliance of Missouri; provided however, that the members of such committees and advisory boards agree to be bound by a conflict of interest policy consistent with the highest ethical standards that is suitable for such advisory roles and annually complete and certify to the board a disclosure and compliance certificate in accordance with such conflicts of interest policy.

348.261. 1. The corporation[, after being certified by the governor as provided by section 348.251, may] shall have all of the powers necessary or convenient to carry out the purposes and provisions of sections 348.250 to 348.275, including the powers as specified therein, and without limitation, the power to:

(1) Establish a statewide business modernization network to assist Missouri businesses in identifying ways to enhance productivity and market competitiveness;

(2) Identify scientific and technological problems and opportunities related to the economy of Missouri and formulate proposals to overcome those problems or realize those opportunities;

(3) Identify specific areas where scientific research and

technological investigation will contribute to the improvement of productivity of Missouri manufacturers and farmers;

(4) Determine specific areas in which financial investment in scientific and technological research and development from private businesses located in Missouri could be enhanced or increased if state resources were made available to assist in financing activities;

(5) Assist in establishing cooperative associations of universities in Missouri and of private enterprises for the purpose of coordinating research and development programs that will, consistent with the primary educational function of the universities, aid in the creation of new jobs in Missouri;

(6) Assist in financing the establishment and continued development of technology-intensive businesses in Missouri;

(7) Advise universities of the research needs of Missouri business and improve the exchange of scientific and technological information for the mutual benefit of universities and private business;

(8) Coordinate programs established by universities to provide Missouri businesses with scientific and technological information;

(9) Establish programs in scientific education which will support the accelerated development of technology-intensive businesses in Missouri;

(10) Provide financial assistance through contracts, grants and loans to programs of scientific and technological research and development;

(11) Determine how public universities can increase income derived from the sale or licensure of products or processes having commercial value that are developed as a result of university sponsored research programs;

(12) Contract with innovation centers, as established in section 348.271, small business development corporations, as established in sections 620.1000 to 620.1007, centers for advanced technology, as established in section 348.272, and other entities or organizations for the provision of technology application, technology commercialization and technology development services. **[**Such contracting procedures shall not be subject to the provisions of chapter 34; and**]**;

(13) Make direct seed capital or venture capital investments in Missouri business investment funds or businesses **[**which**]** that demonstrate the promise of growth and job creation. Investments from the corporation may be in the form of debt or equity in the respective businesses;

(14) Make and execute contracts, guarantees, or any other instruments and agreements necessary or convenient for the exercise of its powers and functions;

(15) Contract for and to accept any gifts, grants, and loans of funds, property, or any other aid in any form from the federal government, the state, any state agency, or any other source, or any combination thereof, and to comply with the provisions of the terms and conditions thereof;

(16) Procure such insurance, participate in such insurance plans, or provide such self insurance or both as it deems

necessary or convenient; provided however, the purchase of insurance, participation in an insurance plan, or creation of a self-insurance fund by the corporation shall not be deemed as a waiver or relinquishment of any sovereign immunity to which the corporation or its officers, directors, employees, or agents are otherwise entitled;

(17) Partner with universities or other research institutions in Missouri to attract and recruit world-class science and innovation talent to Missouri;

(18) Expend any and all funds from the Missouri science and innovation reinvestment fund and all other assets and resources of the corporation for the exclusive purpose of fulfilling any purpose, power, or duty of the corporation under sections 348.250 to 348.275, including but not limited to implementing the powers, purposes, and duties of the corporation as enumerated in this section;

(19) Participate in joint ventures and collaborate with any taxpayer, governmental body or agency, insurer, university, or college of the state, or any other entity to facilitate any activities or programs consistent with the purpose and intent of sections 348.250 to 348.275; and

(20) In carrying out any activities authorized by sections 348.250 to 348.275, the corporation provides appropriate assistance, including the making of investments, grants, and loans, and providing time of employees, to any taxpayer, governmental body, or agency, insurer, university, or college of the state, or any other entity, whether or not any such

taxpayer, governmental body or agency, insurer, university, or college of the state, or any other entity, is owned or controlled in whole or in part, directly or indirectly, by the corporation.

2. The corporation shall endeavor to maximize the amount of leveraging of nonstate resources, including public and private, cash and in-kind, attained with its investments, grants, loans, or other forms of support. In the case of investments, grants, loans, or other forms of support that emphasize or are specifically intended to impact a particular Missouri county, municipality, or other geographic subdivision of the state, or are otherwise local in nature, the corporation shall give consideration and weight to local matching funds and other matching resources, public and private.

3. Except as expressly provided in sections 348.250 to 348.275, all monies earned or received by the corporation, including all funds derived from the commercialization of science and innovation products, methods, services, and technology by the corporation, or any affiliate or subsidiary thereof, or from the Missouri science and innovation reinvestment fund, shall belong exclusively to and be subject to the exclusive control of the corporation.

4. The corporation shall have all the powers of a not-for-profit corporation established under Missouri law.

5. The corporation shall assume all moneys, property, or other assets remaining with the Missouri seed capital investment board, established in section 620.641. All powers, duties, and

functions performed by the Missouri seed capital investment board shall be transferred to the Missouri technology corporation.

6. The corporation shall not be subject to the provisions of chapter 34.

348.262. In order to assist the corporation in achieving the objectives identified in section 348.261, the department of economic development may contract with the corporation for activities consistent with the corporation's purpose, as specified in **[**section 348.256**]** sections 348.250 to 348.275. When contracting with the corporation under the provisions of this section, the department of economic development may directly enter into agreements with the corporation and shall not be bound by the provisions of chapter 34, RSMo.

348.263. 1. **[**The Missouri business modernization and technology corporation shall replace the corporation for science and technology. All moneys, property or any other assets remaining with the corporation for science and technology after all obligations are satisfied on August 28, 1993, shall be transferred to the Missouri business modernization and technology corporation. All powers, duties and functions performed by the Missouri corporation of science and technology on August 28, 1993, shall be transferred to the Missouri business modernization and technology corporation.**]** Except as otherwise provided in sections 348.250 to 348.275, the corporation shall be subject to requirements applicable to governmental bodies and records contained in sections 610.010 to

610.225.

2. [The Missouri technology corporation shall replace the Missouri business modernization and technology corporation. All moneys, property or any other assets remaining with the Missouri business modernization and technology corporation after all obligations are satisfied on August 28, 1994, shall be transferred to the Missouri technology corporation. All powers, duties and functions performed by the Missouri business modernization and technology corporation on August 28, 1994, shall be transferred to the Missouri technology corporation.] In addition to the exceptions available under sections 610.010 to 610.225, the records of the corporation shall not be subject to the provisions of sections 610.010 to 610.225, when, upon determination by the corporation, the disclosure of the information in the records would be harmful to the competitive position of the corporation and such records contain:

(1) Proprietary information gathered by, or in the possession of, the corporation from third parties pursuant to a promise of confidentiality;

(2) Contract cost estimates prepared for confidential use in awarding contracts for research, development, construction, renovation, commercialization, or the purchase of goods or services;

(3) Data, records, or information of a proprietary nature produced or collected by, or for, the corporation, its employees, officers, or members of its board;

(4) Third-party financial statements, records, and related

data not publicly available that may be shared with the corporation;

(5) Consulting or other reports paid for by the corporation to assist the corporation in connection with its strategic planning and goals; or

(6) The determination of marketing and operational strategies where disclosure of such strategies would be harmful to the competitive position of the corporation.

3. In addition to the exceptions available under sections 610.010 to 610.225, the corporation, including the board, executive committee, audit committee, and research alliance of Missouri, or other such committees or boards that the corporation may authorize from time to time, may discuss, consider, and take action on any the following in closed session, when upon determination by the corporation, including as appropriate the board, executive committee, audit committee, and research alliance of Missouri, or other such committees or boards that the corporation may authorize from time to time, disclosure of such items would be harmful to the competitive position of the corporation:

(1) Plans that could affect the value of property, real or personal, owned, or desirable for ownership by the corporation;

(2) The condition, acquisition, use, or disposition of real or personal property; or

(3) Contracts for applied research; basic research; science and innovation product development, manufacturing, or commercialization; construction and renovation of science and

innovation facilities; or marketing or operational strategies.

348.264. [1.] There is hereby established in the state treasury a special fund to be known as the "Missouri [Technology Investment] Science and Innovation Reinvestment Fund", which shall consist of all moneys which may be appropriated to it by the general assembly based on the applicable percentage of the amount by which science and innovation employees' gross wages for the year exceeds the base year gross wages pursuant to section 348.265; other funds appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests received from federal, private or other sources. [Such moneys shall include federal funds which may be received from the National Institute for Science and Technology, the Small Business Administration and the Department of Defense through its Technology Reinvestment Program.] Money in the Missouri [technology investment program] science and innovation reinvestment fund shall be used to carry out the provisions of sections [348.251] 348.250 to 348.275. Moneys for business modernization programs, technology application programs, technology commercialization programs and technology development programs established pursuant to the provisions of sections [348.251] 348.250 to 348.275 shall be available from appropriations made by the general assembly from the Missouri [technology investment] science and innovation reinvestment fund. Any moneys remaining in the Missouri [technology investment] science and innovation reinvestment fund at the end of any fiscal year shall not lapse to the general revenue fund,

as provided in section 33.080, but shall remain in the Missouri [technology investment] science and innovation reinvestment fund. [2. Notwithstanding the provisions of sections 173.500 to 173.565, RSMo, the Missouri technology investment fund shall be utilized to fund projects which would previously have been funded through the higher education applied projects fund.]

348.265. 1. As soon as practicable after August 28, 2011, the director of the department of economic development, with the assistance of the director of the department of revenue, shall establish the base year gross wages and report the amount of the base year gross wages to the president and board of the corporation, the governor, and the general assembly. Within one hundred eighty days after the end of each fiscal year beginning with the fiscal year ending June 30, 2011, and for each subsequent fiscal year prior to the end of the last funding year, the director of economic development, with the assistance of the director of the department of revenue, shall determine and report to the president and board of the corporation, governor, and general assembly the amount by which aggregate science and innovation employees' gross wages for the fiscal year exceeds the base year gross wages. The director of economic development and the director of the department of revenue may consider any verifiable evidence, including but not limited to the NAICS codes assigned or recorded by the United States Department of Labor for companies with employees in the state, when determining which organizations should be classified as science and innovation companies.

2. Notwithstanding section 23.250 to the contrary, for each of the twenty-five funding years, beginning July 1, 2012, subject to appropriation, the director of revenue shall transfer to the Missouri science and innovation reinvestment fund an amount not to exceed an amount equal to the product of the applicable percentage multiplied by an amount equal to the increase in aggregate science and innovation employees' gross wages for the prior fiscal year, over the base year gross wages. The director of revenue may make estimated payments to the Missouri science and innovation reinvestment fund more frequently based on estimates provided by the director of revenue and reconciled annually.

3. Local political subdivisions may contribute to the Missouri science and innovation reinvestment fund through a grant, contract, or loan by dedicating a portion of any sales tax or property tax increase resulting from increases in science and innovation company economic activity occurring after August 28, 2011, or other such taxes or fees as such local political subdivisions may establish.

4. Funding generated by the provisions of this section shall be expended by the corporation to further its purposes as specified in section 348.256.

5. Upon enactment of this section, the corporation shall prepare a strategic plan for the use of the funding to be generated by the provisions of this section, and may consult with science and innovation partners, including, but not limited to the research alliance of Missouri, as established in section

348.257; the life sciences research board established in section 196.1103; and the innovation centers or centers for advanced technology, as established in section 348.272. The corporation shall make a draft strategic plan available for public comment prior to publication of the final strategic plan.

348.269. 1. Nothing contained in sections 348.250 to 348.275 shall be construed as a restriction or limitation upon any powers that the corporation might otherwise have under chapter 355, and the provisions of sections 348.250 to 348.275 are cumulative to such powers.

2. Nothing in sections 348.250 to 348.275 shall be construed as allowing the board to sell the corporation or substantially all of the assets of the corporation, or to merge the corporation with another institution, without prior authorization by the general assembly.

3. Notwithstanding the provisions of section 23.253 to the contrary, the provisions of sections 348.250 to 348.275 shall not sunset.

4. The provisions of sections 348.250 to 348.275 shall not terminate before the satisfaction of all outstanding obligations, notes, and bonds provided for under sections 348.250 to 348.275.

5. If any provision of this act or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to this end the provisions of this act are severable. Insofar as the

provisions of sections 348.250 to 348.275 are inconsistent with the provisions of any other law, general, specific or local, the provisions of sections 348.250 to 348.275 shall be controlling.

348.271. 1. In order to foster the growth of Missouri's economy and to stimulate the creation of new jobs in **[**technology-based**]** science and innovation-based industry for the state's work force, the Missouri technology corporation, in accordance with the provisions of this section and within the limits of appropriations therefor is authorized to contract with Missouri not-for-profit corporations for the operation of innovation centers within the state. The primary emphasis of some, if not of all innovation centers, shall be in the areas of **[**technology commercialization, finance and business modernization. Innovation centers operated under the provisions of this section shall provide assistance to individuals and business organizations during the early stages of the development of new technology-based**]** science and innovation-based business ventures. Such assistance may include the provision of facilities, equipment, administrative and managerial support, planning assistance, and such other services and programs that enhance the development of such ventures and such assistance may be provided for fees or other consideration.

2. The innovation centers operated under this section shall counsel and assist the new **[**technology-based**]** science and innovation-based business ventures in finding a suitable site in the state of Missouri for location of the business upon its graduation from the innovation program. Each innovation center

shall annually submit a report of its activities to the department of economic development and the Missouri technology corporation which shall include, but not be limited to, the success rate of the businesses graduating from the center, the progress and locations of businesses which have graduated from the center, the types of businesses which have graduated from the center, and the number of jobs created by the businesses involved in the center.

3. Any contract signed between the corporation and any not-for-profit organization to operate an innovation center in accordance with the provisions of this section shall require that the not-for-profit organization must provide at least a one-hundred-percent match for the funding received from the corporation pursuant to appropriation therefor.

348.300. As used in sections 348.300 to 348.318, the following terms mean:

(1) "Commercial activity located in Missouri", any research, development, prototype fabrication, and subsequent precommercialization activity, or any activity related thereto, conducted in Missouri for the purpose of producing a service or a product or process for manufacture, assembly or sale or developing a service based on such a product or process by any person, corporation, partnership, joint venture, unincorporated association, trust or other organization doing business in Missouri. Subsequent to January 1, 1999, a commercial activity located in Missouri shall mean only such activity that is located within a distressed community, as defined in section

135.530;

(2) "Follow-up capital", capital provided to a commercial activity located in Missouri in which a qualified fund has previously invested seed capital or start-up capital and which does not exceed ten times the amount of such seed and start-up capital;

(3) "Person", any individual, corporation, partnership, or other entity, including any charitable corporation which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143;

(4) "Qualified contribution", cash contribution to a qualified fund;

(5) "Qualified economic development organization", any corporation organized under the provisions of chapter 355 which has as of January 1, 1991, obtained a contract with the department of economic development to operate an innovation center to promote, assist and coordinate the research and development of new services, products or processes in the state of Missouri; and the Missouri technology corporation organized pursuant to the provisions of sections **[**348.253 to 348.266**]** 348.250 to 348.275;

(6) "Qualified fund", any corporation, partnership, joint venture, unincorporated association, trust or other organization which is established under the laws of Missouri after December 31, 1985, which meets all of the following requirements established by this subdivision. The fund shall have as its

sole purpose and business the making of investments, of which at least ninety percent of the dollars invested shall be qualified investments. The fund shall enter into a contract with one or more qualified economic development organizations which shall entitle the qualified economic development organizations to receive not less than ten percent of all distributions of equity and dividends or other earnings of the fund. Such contracts shall require the qualified fund to transfer to the Missouri technology corporation organized pursuant to the provisions of sections **[**348.253 to 348.266**]** 348.250 to 348.275 this interest and make corresponding distributions thereto in the event the qualified economic development organization holding such interest is dissolved or ceases to do business for a period of one year or more;

(7) "Qualified investment", any investment of seed capital, start-up capital, or follow-up capital in any commercial activity located in Missouri;

(8) "Seed capital", capital provided to a commercial activity located in Missouri for research, development and precommercialization activities to prove a concept for a new product or process or service, and for activities related thereto;

(9) "Start-up capital", capital provided to a commercial activity located in Missouri for use in preproduction product development or service development or initial marketing thereof, and for activities related thereto;

(10) "State tax liability", any state tax liability

incurred by a taxpayer under the provisions of chapters 143, 147 and 148, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions;

(11) "Uninvested capital", the amount of any distribution, other than of earnings, by a qualified fund made within five years of the issuance of a certificate of tax credit as provided by sections 348.300 to 348.318; or the portion of all qualified contributions to a qualified fund which are not invested as qualified investments within five years of the issuance of a certificate of tax credit as provided by sections 348.300 to 348.318 to the extent that the amount not so invested exceeds ten percent of all such qualified contributions.

348.430. 1. The tax credit created in this section shall be known as the "Agricultural Product Utilization Contributor Tax Credit".

2. As used in this section, the following terms mean:

(1) "Authority", the agriculture and small business development authority as provided in this chapter;

(2) "Contributor", an individual, partnership, corporation, trust, limited liability company, entity or person that contributes cash funds to the authority;

(3) "Development facility", a facility<u>, located within a rural area,</u> producing either a good derived from an agricultural commodity or using a process to produce a good derived from an agricultural product;

(4) "Eligible new generation cooperative", a nonprofit

cooperative association formed pursuant to chapter 274, or incorporated pursuant to chapter 357, for the purpose of operating within this state a development facility or a renewable fuel production facility;

(5) "Eligible new generation processing entity", a partnership, corporation, cooperative, or limited liability company organized or incorporated pursuant to the laws of this state consisting of not less than twelve members, approved by the authority, for the purpose of owning or operating within this state a development facility or a renewable fuel production facility in which producer members:

(a) Hold a majority of the governance or voting rights of the entity and any governing committee;

(b) Control the hiring and firing of management; and

(c) Deliver agricultural commodities or products to the entity for processing, unless processing is required by multiple entities;

(6) "Renewable fuel production facility", a facility, located within a rural area, producing an energy source which is derived from a renewable, domestically grown, organic compound capable of powering machinery, including an engine or power plant, and any by-product derived from such energy source;

(7) "Rural area", a county in Missouri, which according to the most recent federal decennial census:

(a) Has a population of not more than seventy-five thousand inhabitants; or

(b) Does not contain an individual city with a population

greater than fifty thousand inhabitants.

3. For all tax years beginning on or after January 1, 1999, a contributor who contributes funds to the authority may receive a credit against the tax or estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265, chapter 148 chapter 147, in an amount of up to one hundred percent of such contribution. Tax credits claimed in a taxable year may be done so on a quarterly basis and applied to the estimated quarterly tax pursuant to this subsection. If a quarterly tax credit claim or series of claims contributes to causing an overpayment of taxes for a taxable year, such overpayment shall not be refunded but shall be applied to the next taxable year. The awarding of such credit shall be at the approval of the authority, based on the least amount of credits necessary to provide incentive for the contributions. A contributor that receives tax credits for a contribution to the authority shall receive no other consideration or compensation for such contribution, other than a federal tax deduction, if applicable, and goodwill.

4. A contributor shall submit to the authority an application for the tax credit authorized by this section on a form provided by the authority. If the contributor meets all criteria prescribed by this section and the authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credits issued pursuant to this section may be claimed in the taxable year in which the contributor

contributes funds to the authority. For all fiscal years beginning on or after July 1, 2004, tax credits allowed pursuant to this section may be carried back to any of the contributor's three prior tax years and may be carried forward to any of the contributor's five subsequent taxable years. Tax credits issued pursuant to this section may be assigned, transferred or sold and the new owner of the tax credit shall have the same rights in the credit as the contributor. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the name and address of the new owner of the tax credit or the value of the credit.

5. The funds derived from contributions in this section shall be used for financial assistance or technical assistance for the purposes provided in section 348.407 to rural agricultural business concepts as approved by the authority. The authority may provide or facilitate loans, equity investments, or guaranteed loans for rural agricultural business concepts, but limited to two million dollars per project or the net state economic impact, whichever is less. Loans, equity investments or guaranteed loans may only be provided to feasible projects, and for an amount that is the least amount necessary to cause the project to occur, as determined by the authority. The authority may structure the loans, equity investments or guaranteed loans in a way that facilitates the project, but also provides for a compensatory return on investment or loan payment to the authority, based on the risk of the project.

6. In any given year, at least ten percent of the funds granted to rural agricultural business concepts shall be awarded to grant requests of twenty-five thousand dollars or less. No single rural agricultural business concept shall receive more than two hundred thousand dollars in grant awards from the authority. Agricultural businesses owned by minority members or women shall be given consideration in the allocation of funds.

7. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2014. The provisions of this subsection shall not be construed to limit or in any way impair the authority's ability to issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such tax credits.

348.432. 1. The tax credit created in this section shall be known as the "New Generation Cooperative Incentive Tax Credit".

2. As used in this section, the following terms mean:

(1) "Authority", the agriculture and small business development authority as provided in this chapter;

(2) "Development facility", a facility, located within a rural area, producing either a good derived from an agricultural commodity or using a process to produce a good derived from an agricultural product;

(3) "Eligible new generation cooperative", a nonprofit cooperative association formed pursuant to chapter 274 or incorporated pursuant to chapter 357 for the purpose of

operating within this state a development facility or a renewable fuel production facility and approved by the authority;

(4) "Eligible new generation processing entity", a partnership, corporation, cooperative, or limited liability company organized or incorporated pursuant to the laws of this state consisting of not less than twelve members, approved by the authority, for the purpose of owning or operating within this state a development facility or a renewable fuel production facility in which producer members:

(a) Hold a majority of the governance or voting rights of the entity and any governing committee;

(b) Control the hiring and firing of management; and

(c) Deliver agricultural commodities or products to the entity for processing, unless processing is required by multiple entities;

(5) "Employee-qualified capital project", an eligible new generation cooperative with capital costs greater than fifteen million dollars which will employ at least sixty employees;

(6) "Large capital project", an eligible new generation cooperative with capital costs greater than one million dollars;

(7) "Producer member", a person, partnership, corporation, trust or limited liability company whose main purpose is agricultural production that invests cash funds to an eligible new generation cooperative or eligible new generation processing entity;

(8) "Renewable fuel production facility", a facility,

located within a rural area, producing an energy source which is derived from a renewable, domestically grown, organic compound capable of powering machinery, including an engine or power plant, and any by-product derived from such energy source;

(9) "Rural area", a county in Missouri, which according to the most recent federal decennial census:

(a) Has a population of not more than seventy-five thousand inhabitants; or

(b) Does not contain an individual city with a population greater than fifty thousand inhabitants;

(10) "Small capital project", an eligible new generation cooperative with capital costs of no more than one million dollars.

3. Beginning tax year 1999, and ending December 31, 2002, any producer member who invests cash funds in an eligible new generation cooperative or eligible new generation processing entity may receive a credit against the tax or estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265 or chapter 148, chapter 147, in an amount equal to the lesser of fifty percent of such producer member's investment or fifteen thousand dollars.

4. For all tax years beginning on or after January 1, 2003, any producer member who invests cash funds in an eligible new generation cooperative or eligible new generation processing entity may receive a credit against the tax or estimated quarterly tax otherwise due pursuant to chapter 143, other than

taxes withheld pursuant to sections 143.191 to 143.265, chapter 147 or chapter 148, in an amount equal to the lesser of fifty percent of such producer member's investment or fifteen thousand dollars. Tax credits claimed in a taxable year may be done so on a quarterly basis and applied to the estimated quarterly tax pursuant to subsection 3 of this section. If a quarterly tax credit claim or series of claims contributes to causing an overpayment of taxes for a taxable year, such overpayment shall not be refunded but shall be applied to the next taxable year.

5. A producer member shall submit to the authority an application for the tax credit authorized by this section on a form provided by the authority. If the producer member meets all criteria prescribed by this section and is approved by the authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credits issued pursuant to this section may be carried back to any of the producer member's three prior taxable years and carried forward to any of the producer member's five subsequent taxable years regardless of the type of tax liability to which such credits are applied as authorized pursuant to subsection 3 of this section. Tax credits issued pursuant to this section may be assigned, transferred, sold or otherwise conveyed and the new owner of the tax credit shall have the same rights in the credit as the producer member. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the name and address of the new owner of the tax credit or the value

of the credit.

6. Ten percent of the tax credits authorized pursuant to this section initially shall be offered in any fiscal year to small capital projects. If any portion of the ten percent of tax credits offered to small capital costs projects is unused in any calendar year, then the unused portion of tax credits may be offered to employee-qualified capital projects and large capital projects. If the authority receives more applications for tax credits for small capital projects than tax credits are authorized therefor, then the authority, by rule, shall determine the method of distribution of tax credits authorized for small capital projects.

7. Ninety percent of the tax credits authorized pursuant to this section initially shall be offered in any fiscal year to employee-qualified capital projects and large capital projects. If any portion of the ninety percent of tax credits offered to employee-qualified capital projects and large capital costs projects is unused in any fiscal year, then the unused portion of tax credits may be offered to small capital projects. The maximum tax credit allowed per employee-qualified capital project is three million dollars and the maximum tax credit allowed per large capital project is one million five hundred thousand dollars. If the authority approves the maximum tax credit allowed for any employee-qualified capital project or any large capital project, then the authority, by rule, shall determine the method of distribution of such maximum tax credit. In addition, if the authority receives more tax credit

applications for employee-qualified capital projects and large capital projects than the amount of tax credits authorized therefor, then the authority, by rule, shall determine the method of distribution of tax credits authorized for employee-qualified capital projects and large capital projects.

8. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2014. The provisions of this subsection shall not be construed to limit or in any way impair the authority's ability to issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such tax credits.

348.434. 1. The aggregate of tax credits issued per fiscal year pursuant to sections 348.430 and 348.432 shall not exceed six million dollars.

2. Upon July 2, 1999, and ending June 30, 2000, tax credits shall be issued pursuant to section 348.430, except that, the authority shall allocate no more than three million dollars to fund section 348.432 in fiscal year 2000. Beginning in fiscal year 2001 and each subsequent year, tax credits shall be issued pursuant to section 348.432.

3. Beginning the first day of May of each fiscal year **[**following implementation of section 348.432**]** ending on or before June 30, 2011, the authority may determine the extent of tax credits, pursuant to section 348.432, that will be utilized in each fiscal year. If the authority determines that:

(1) Less than six million dollars for a fiscal year is to

be utilized in tax credits pursuant to section 348.432; and

(2) The assets available to the authority, pursuant to section 348.430, do not exceed twelve million dollars; then, the authority may offer the remaining authorized tax credits be issued pursuant to section 348.430.

4. For all fiscal years beginning on or after July 1, 2011, the authority shall allocate tax credits for authorization under the provisions of sections 348.430 and 348.432 in a manner sufficient to provide the greatest state benefit while providing the least amount of tax credits necessary.

348.500. 1. This section shall be known and may be cited as the "Family Farms Act".

[2. As used in this section, "small farmer" means a farmer who is a Missouri resident and who has less than two hundred fifty thousand dollars in gross sales per year.

3. The agricultural and small business development authority shall establish a family farm breeding livestock loan program for small farmers for the purchase of beef cattle, dairy cattle, sheep and goats, and swine only.

4. To participate in the loan program, a small farmer shall first obtain approval for a family farm livestock loan from a lender as defined in section 348.015. Each small farmer shall be eligible for only one family farm livestock loan per family and for only one type of livestock.

5. The maximum amount of the family farm livestock loan for each type of livestock shall be as follows:

(1) Seventy-five thousand dollars for beef cattle;

(2) Seventy-five thousand dollars for dairy cattle;

(3) Thirty-five thousand dollars for swine; and

(4) Thirty thousand dollars for sheep and goats.

6. Eligible borrowers under the program:

(1) Shall use the proceeds of the family farm loan to acquire breeding livestock;

(2) Shall not finance more than ninety percent of the anticipated cost of the purchase of such livestock through the family farm livestock loan; and

(3) Shall not be charged interest by the lender, as defined in section 348.015, for the first year of the qualified family farm livestock loan.

7. Upon approval of the family farm livestock loan by a lender under subsection 4 of this section, the loan shall be submitted for approval by the agricultural and small business development authority. The authority shall promulgate rules establishing eligibility under this section, taking into consideration:

(1) The eligible borrower's ability to repay the family farm livestock loan;

(2) The general economic conditions of the area in which the farm is located;

(3) The prospect of a financial return for the small farmer for the type of livestock for which the family farm livestock loan is sought; and

(4) Such other factors as the authority may establish.

8. For eligible borrowers participating in the program,

the authority shall be responsible for reviewing the purchase price of any livestock to be purchased by an eligible borrower under the program to determine whether the price to be paid is appropriate for the type of livestock purchased. The authority may impose a one-time loan review fee of one percent which shall be collected by the lender at the time of the loan and paid to the authority.

9. Nothing in this section shall preclude a small farmer from participating in any other agricultural program.

10. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.**]**

2. For purposes of this section, the following terms shall mean:

(1) "Authority", the Missouri agricultural and small business development authority;

(2) "Breeding livestock", beef, dairy cattle, swine, sheep, and goats;

(3) "Eligible purchase", the lesser of the purchase price

of breeding livestock paid by a small farmer or:

(a) Seventy-five thousand dollars for beef cattle;

(b) Seventy-five thousand dollars for dairy cattle;

(c) Thirty-five thousand dollars for swine; and

(d) Thirty thousand dollars for sheep and goats;

(4) "Small farmer", a farmer who is a Missouri resident and who has less than two hundred fifty thousand dollars in gross sales per year;

(5) "State tax liability", any state tax liability incurred by a taxpayer under the provisions of chapters 143, 147, and 148, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions.

3. For all taxable years beginning on or after January 1, 2012, a small farmer shall be entitled to receive a tax credit equal to seven percent of an eligible purchase. The tax credit shall be evidenced by a tax credit certificate issued by the agricultural and small business development authority and may be used to satisfy the state tax liability of the owner of such certificate that becomes due in the tax year in which the eligible purchase is made. No small farmer may receive a tax credit under this section unless such person presents a tax credit certificate to the department of revenue for payment of such state tax liability. The total amount of all tax credits that may be issued to small farmers claiming tax credits authorized in this section in a fiscal year shall not exceed three hundred thousand dollars.

4. The agricultural and small business development authority shall be responsible for the administration and issuance of the certificate of tax credits authorized by this section. The authority shall issue a certificate of tax credit at the request of any small farmer. Each request shall include a true copy of the receipt for the eligible purchase, the name of the small farmer who is to receive a certificate of tax credit, the type of state tax liability against which the tax credit is to be used, and the amount of the certificate of tax credit to be issued to the small farmer based on the eligible purchase.

5. The Missouri department of revenue shall accept a certificate of tax credit in lieu of other payment in such amount as is equal to the lesser of the amount of the tax or the remaining unused amount of the credit as indicated on the certificate of tax credit, and shall indicate on the certificate of tax credit the amount of tax thereby paid and the date of such payment.

6. The following provisions shall apply to tax credits authorized under this section:

(1) Tax credits claimed in a taxable year may be claimed on a quarterly basis and applied to the estimated quarterly tax of the small farmer;

(2) Any amount of tax credit which exceeds the tax due, including any estimated quarterly taxes paid by the small farmer under subdivision (1) of this subsection which results in an overpayment of taxes for a taxable year, shall not be refunded

but may be carried over to any subsequent taxable year, not to exceed a total of three years;

(3) Notwithstanding any provision of law to the contrary, a small farmer may assign, transfer, or sell tax credits authorized under this section, with the new owner of the tax credit receiving the same rights in the tax credit as the small farmer. For any tax credits assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed by the small farmer with the authority specifying the name and address of the new owner of the tax credit and the value of such tax credit.

7. Notwithstanding any provision of law to the contrary, no tax credits provided under this section shall be authorized on or after August 28, 2014. The provisions of this subsection shall not be construed to limit or in any way impair the authority's ability to issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such tax credits.

447.708. 1. For eligible projects, the director of the department of economic development, with notice to the directors of the departments of natural resources and revenue, and subject to the other provisions of sections 447.700 to 447.718, may not create a new enterprise zone but may decide that a prospective operator of a facility being remedied and renovated pursuant to sections 447.700 to 447.718 may receive the tax credits and exemptions pursuant to sections 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits allowed pursuant to this

subsection shall be used to offset the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the tax otherwise imposed by chapter 148. Notwithstanding any provisions of law to the contrary, the department shall not authorize tax credits and exemptions pursuant to this subsection after the effective date of this act. For purposes of this subsection:

(1) For receipt of the ad valorem tax abatement pursuant to section 135.215, the eligible project must create at least ten new jobs or retain businesses which supply at least twenty-five existing jobs. The city, or county if the eligible project is not located in a city, must provide ad valorem tax abatement of at least fifty percent for a period not less than ten years and not more than twenty-five years;

(2) For receipt of the income tax exemption pursuant to section 135.220 and tax credit for new or expanded business facilities pursuant to sections 135.100 to 135.150, and 135.225, the eligible project must create at least ten new jobs or retain businesses which supply at least twenty-five existing jobs, or combination thereof. For purposes of sections 447.700 to 447.718, the tax credits described in section 135.225 are modified as follows: the tax credit shall be four hundred dollars per employee per year, an additional four hundred dollars per year for each employee exceeding the minimum employment thresholds of ten and twenty-five jobs for new and existing businesses, respectively, an additional four hundred

dollars per year for each person who is a person difficult to employ as defined by section 135.240, and investment tax credits at the same amounts and levels as provided in subdivision (4) of subsection 1 of section 135.225;

(3) For eligibility to receive the income tax refund pursuant to section 135.245, the eligible project must create at least ten new jobs or retain businesses which supply at least twenty-five existing jobs, or combination thereof, and otherwise comply with the provisions of section 135.245 for application and use of the refund and the eligibility requirements of this section;

(4) The eligible project operates in compliance with applicable environmental laws and regulations, including permitting and registration requirements, of this state as well as the federal and local requirements;

(5) The eligible project operator shall file such reports as may be required by the director of economic development or the director's designee;

(6) The taxpayer may claim the state tax credits authorized by this subsection and the state income exemption for a period not in excess of ten consecutive tax years. For the purpose of this section, "taxpayer" means an individual proprietorship, partnership or corporation described in section 143.441 or 143.471 who operates an eligible project. The director shall determine the number of years the taxpayer may claim the state tax credits and the state income exemption based on the projected net state economic benefits attributed to the

eligible project;

(7) For the purpose of meeting the new job requirement prescribed in subdivisions (1), (2) and (3) of this subsection, it shall be required that at least ten new jobs be created and maintained during the taxpayer's tax period for which the credits are earned, in the case of an eligible project that does not replace a similar facility in Missouri. "New job" means a person who was not previously employed by the taxpayer or related taxpayer within the twelve-month period immediately preceding the time the person was employed by that taxpayer to work at, or in connection with, the eligible project on a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five hours per week during the taxpayer's tax period for which the tax credits are earned. For the purposes of this section, related taxpayer has the same meaning as defined in subdivision (9) of section 135.100;

(8) For the purpose of meeting the existing job retention requirement, if the eligible project replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, it shall be required that at least twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a person who was previously employed by the taxpayer or related taxpayer, at a facility similar to the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in

which the tax credits are earned, within the tax period immediately preceding the time the person was employed by the taxpayer to work at, or in connection with, the eligible project on a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five hours per week during the taxpayer's tax period for which the tax credits are earned;

(9) In the case where an eligible project replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the owner and operator of the eligible project shall provide the director with a written statement explaining the reason for discontinuing operations at the closed facility. The statement shall include a comparison of the activities performed at the closed facility prior to the date the facility ceased operating, to the activities performed at the eligible project, and a detailed account describing the need and rationale for relocating to the eligible project. If the director finds the relocation to the eligible project significantly impaired the economic stability of the area in which the closed facility was located, and that such move was detrimental to the overall economic development efforts of the state, the director may deny the taxpayer's request to claim tax benefits;

(10) Notwithstanding any provision of law to the contrary, for the purpose of this section, the number of new jobs created and maintained, the number of existing jobs retained, and the value of new qualified investment used at the eligible project during any tax year shall be determined by dividing by twelve,

in the case of jobs, the sum of the number of individuals employed at the eligible project, or in the case of new qualified investment, the value of new qualified investment used at the eligible project, on the last business day of each full calendar month of the tax year. If the eligible project is in operation for less than the entire tax year, the number of new jobs created and maintained, the number of existing jobs retained, and the value of new qualified investment created at the eligible project during any tax year shall be determined by dividing the sum of the number of individuals employed at the eligible project, or in the case of new qualified investment, the value of new qualified investment used at the eligible project, on the last business day of each full calendar month during the portion of the tax year during which the eligible project was in operation, by the number of full calendar months during such period;

(11) For the purpose of this section, "new qualified investment" means new business facility investment as defined and as determined in subdivision (7) of section 135.100 which is used at and in connection with the eligible project. "New qualified investment" shall not include small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand held.

2. The determination of the director of economic development pursuant to subsection 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval of the granting of real property tax abatement by the

municipal or county government where the eligible project is located.

3. (1) The director of the department of economic development, with the approval of the director of the department of natural resources, may, **[**in addition to the tax credits allowed in subsection 1 of this section,**]** grant a remediation tax credit to the applicant for up to one hundred percent of the costs of materials, supplies, equipment, labor, professional engineering, consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement, and direct utility charges for performing the voluntary remediation activities for the preexisting hazardous substance contamination and releases, including, but not limited to, the costs of performing operation and maintenance of the remediation equipment at the property beyond the year in which the systems and equipment are built and installed at the eligible project and the costs of performing the voluntary remediation activities over a period not in excess of four tax years following the taxpayer's tax year in which the system and equipment were first put into use at the eligible project, provided the remediation activities are the subject of a plan submitted to, and approved by, the director of natural resources pursuant to sections 260.565 to 260.575. The tax credit may also include up to one hundred percent of the costs of demolition that are not directly part of the remediation activities, provided that the demolition is on the property where the voluntary remediation activities are occurring, the demolition is necessary to accomplish the planned use of the

facility where the remediation activities are occurring, and the demolition is part of a redevelopment plan approved by the municipal or county government and the department of economic development. The demolition may occur on an adjacent property if the project is located in a municipality which has a population less than twenty thousand and the above conditions are otherwise met. The adjacent property shall independently qualify as abandoned or underutilized. The amount of the credit available for demolition not associated with remediation cannot exceed the total amount of credits approved for remediation including demolition required for remediation.

(2) The amount of remediation tax credits issued shall be limited to the least amount necessary to cause the project to occur, as determined by the director of the department of economic development.

(3) The director may, with the approval of the director of natural resources, extend the tax credits allowed for performing voluntary remediation maintenance activities, in increments of three-year periods, not to exceed five consecutive three-year periods. The tax credits allowed in this subsection shall be used to offset the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the tax otherwise imposed by chapter 148. The remediation tax credit may be taken in the same tax year in which the tax credits are received or may be taken over a period not to exceed twenty years.

(4) The project facility shall be projected to create at

least ten new jobs or at least twenty-five retained jobs, or a combination thereof, as determined by the department of economic development, to be eligible for tax credits pursuant to this section.

(5) No more than seventy-five percent of earned remediation tax credits may be issued when the remediation costs were paid, and the remaining percentage may be issued when the department of natural resources issues a letter of completion letter or covenant not to sue following completion of the voluntary remediation activities. It shall not include any costs associated with ongoing operational environmental compliance of the facility or remediation costs arising out of spills, leaks, or other releases arising out of the ongoing business operations of the facility. In the event the department of natural resources issues a letter of completion for a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion of a site improvement, a prorated amount of the remaining percentage may be released based on the percentage of the total site receiving a letter of completion.

4. In the exercise of the sound discretion of the director of the department of economic development or the director's designee, the tax credits and exemptions described in this section may be terminated, suspended or revoked, if the eligible project fails to continue to meet the conditions set forth in this section. In making such a determination, the director shall consider the severity of the condition violation, actions

taken to correct the violation, the frequency of any condition violations and whether the actions exhibit a pattern of conduct by the eligible facility owner and operator. The director shall also consider changes in general economic conditions and the recommendation of the director of the department of natural resources, or his or her designee, concerning the severity, scope, nature, frequency and extent of any violations of the environmental compliance conditions. The taxpayer or person claiming the tax credits or exemptions may appeal the decision regarding termination, suspension or revocation of any tax credit or exemption in accordance with the procedures outlined in subsections 4 to 6 of section 135.250. The director of the department of economic development shall notify the directors of the departments of natural resources and revenue of the termination, suspension or revocation of any tax credits as determined in this section or pursuant to the provisions of section 447.716.

5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245, respectively, for the same facility for the same tax period.

6. The total amount of the tax credits allowed in subsection 1 of this section may not exceed the greater of:

(1) That portion of the taxpayer's income attributed to the eligible project; or

(2) One hundred percent of the total business' income tax if the eligible facility does not replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; fifty percent of the total business' income tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; or twenty-five percent of the total business income if the taxpayer operates, in addition to the eligible facility, any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business income in any tax period. That portion of the taxpayer's income attributed to the eligible project as referenced in subdivision (1) of this subsection, for which the credits allowed in sections 135.110 and 135.225 and subsection 3 of this section, may apply, shall be determined in the same manner as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's franchise tax attributed to the eligible project for which the remediation tax credit may offset, shall be determined in the same manner as prescribed in

paragraph (a) of subdivision (6) of section 135.100.

7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section shall be required to file all applicable tax credit applications, forms and schedules prescribed by the director during the taxpayer's tax period immediately after the tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax credits shall not be carried forward but shall be initially claimed for the tax period during which the eligible project was first capable of being used, and during any applicable subsequent tax periods.

8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section shall be required to file all applicable tax credit applications, forms and schedules prescribed by the director during the taxpayer's tax period immediately after the tax period in which the eligible project was first put into use, or during the taxpayer's tax period immediately after the tax period in which the voluntary remediation activities were performed.

9. The recipient of remediation tax credits, for the purpose of this subsection referred to as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed in subsection 3 of this section to any other person, for the purpose of this subsection referred to as assignee. To perfect the transfer, the assignor shall provide

written notice to the director of the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective, the assignee's name, address and the assignee's tax period and the amount of tax credits to be transferred. The number of tax periods during which the assignee may subsequently claim the tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor previously claimed the credits before the transfer occurred.

10. In the case where an operator and assignor of an eligible project has been certified to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and sells or otherwise transfers title of the eligible project to another taxpayer or assignee who continues the same or substantially similar operations at the eligible project, the director shall allow the assignee to claim the credits for a period of time to be determined by the director; except that, the total number of tax periods the tax credits may be earned by the assignor and the assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice to the director of the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount of tax credits to be transferred.

11. For the purpose of the state tax benefits described in this section, in the case of a corporation described in section 143.471 or partnership, in computing Missouri's tax liability, such state benefits shall be allowed to the following:

(1) The shareholders of the corporation described in section 143.471;

(2) The partners of the partnership. The credit provided in this subsection shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

12. For each fiscal year beginning on or after July 1, 2011, but ending on or before June 30, 2015, the total amount of tax credits authorized under the provisions of sections 447.700 to 447.718 shall not exceed forty million dollars. No more than a total of ten million dollars in tax credits authorized under the provisions of sections 447.700 to 447.718 shall be authorized in any fiscal year beginning on or after July 1, 2011, but ending on or before June 30, 2015, for projects which receive benefits under the provisions of section 99.1205. For each fiscal year beginning on or after July 1, 2015, the total amount of tax credits authorized under the provisions of sections 447.700 to 447.718 shall not exceed thirty five million dollars. No more than a total of five million dollars in tax credits authorized under the provisions of sections 447.700 to 447.718 shall be authorized in any fiscal year beginning on or after July 1, 2015, for projects which receive benefits under the provisions of section 99.1205.

13. Notwithstanding any provision of law to the contrary, no tax credits provided under sections 447.700 to 447.718 shall be authorized on or after August 28, 2018. The provisions of

this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2018, or a taxpayer's ability to redeem such tax credits.

620.495. 1. This section shall be known as the "Small Business Incubators Act".

2. As used in this section, unless the context clearly indicates otherwise, the following words and phrases shall mean:

(1) "Department", the department of economic development;

(2) "Incubator", a program in which small units of space may be leased by a tenant and in which management maintains or provides access to business development services for use by tenants or a program without infrastructure in which participants avail themselves of business development services to assist in the growth of their start-up small businesses;

(3) "Local sponsor" or "sponsor", an organization which enters into a written agreement with the department to establish, operate and administer a small business incubator program or to provide funding to an organization which operates such a program;

(4) "Participant", a sole proprietorship, business partnership or corporation operating a business for profit through which the owner avails himself or herself of business development services in an incubator program;

(5) "Tenant", a sole proprietorship, business partnership or corporation operating a business for profit and leasing or otherwise occupying space in an incubator.

3. There is hereby established under the direction of the department a loan, loan guarantee and grant program for the establishment, operation and administration of small business incubators, to be known as the "Small Business Incubator Program". A local sponsor may submit an application to the department to obtain a loan, loan guarantee or grant to establish an incubator. Each application shall:

(1) Demonstrate that a program exists that can be transformed into an incubator at a specified cost;

(2) Demonstrate the ability to directly provide or arrange for the provision of business development services for tenants and participants of the incubator. These services shall include, but need not be limited to, financial consulting assistance, management and marketing assistance, business education, and physical services;

(3) Demonstrate a potential for sustained use of the incubator program by eligible tenants and participants, through a market study or other means;

(4) Demonstrate the ability to manage and operate the incubator program;

(5) Include such other information as the department may require through its guidelines.

4. The department shall review and accept applications based on the following criteria:

(1) Ability of the local sponsor to carry out the provisions of this section;

(2) Economic impact of the incubator on the community;

(3) Conformance with areawide and local economic development plans, if such exist;

(4) Location of the incubator, in order to encourage geographic distribution of incubators across the state.

5. Loans, loan guarantees and grants shall be administered in the following manner:

(1) Loans awarded or guaranteed and grants awarded shall be used only for the acquisition and leasing of land and existing buildings, the rehabilitation of buildings or other facilities, construction of new facilities, the purchase of equipment and furnishings which are necessary for the creation and operation of the incubator, and business development services including, but not limited to, business management advising and business education;

(2) Loans, loan guarantees and grants may not exceed fifty percent of total eligible project costs;

(3) Payment of interest and principal on loans may be deferred at the discretion of the department; and

(4) Loans and grants shall only be available upon receipt of matching private funds.

6. A local sponsor, or the organization receiving assistance through the local sponsor, shall have the following responsibilities and duties in establishing and operating an incubator with assistance from the small business incubator program:

(1) Secure title on a facility for the program or a lease of a facility for the program;

(2) Manage the physical development of the incubator program, including the provision of common conference or meeting space;

(3) Furnish and equip the program to provide business services to the tenants and participants;

(4) Market the program and secure eligible tenants and participants;

(5) Provide financial consulting, marketing and management assistance services or arrange for the provision of these services for tenants and participants of the incubator, including assistance in accessing private financial markets;

(6) Set rental and service fees;

(7) Encourage the sharing of ideas between tenants and participants and otherwise aid the tenants and participants in an innovative manner while they are within the incubator;

(8) Establish policies and criteria for the acceptance of tenants and participants into the incubator and for the termination of occupancy of tenants so as to maximize the opportunity to succeed for the greatest number of tenants, consistent with those specified in this section.

7. The department:

(1) May adopt such rules, statements of policy, procedures, forms and guidelines as may be necessary for the implementation of this section;

(2) May make loans, loan guarantees and grants to local sponsors for incubators;

(3) Shall ensure that local sponsors receiving loans, loan

guarantees or grants meet the conditions of this section;

(4) Shall receive and evaluate annual reports from local sponsors. Such annual reports shall include, but need not be limited to, a financial statement for the incubator, evidence that all tenants and participants in the program are eligible under the terms of this section, and a list of companies in the incubator.

8. The department of economic development is also hereby authorized to review any previous loans made under this program and, where appropriate in the department's judgment, convert such loans to grant status.

9. On or before January first of each year, the department shall provide a report to the governor, the chief clerk of the house of representatives and the secretary of the senate which shall include, but need not be limited to:

(1) The number of applications for incubators submitted to the department;

(2) The number of applications for incubators approved by the department;

(3) The number of incubators created through the small business incubator program;

(4) The number of tenants and participants engaged in each incubator;

(5) The number of jobs provided by each incubator and tenants and participant of each incubator;

(6) The occupancy rate of each incubator;

(7) The number of firms still operating in the state after

leaving incubators and the number of jobs they have provided.

10. There is hereby established in the state treasury a special fund to be known as the "Missouri Small Business Incubators Fund", which shall consist of all moneys which may be appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests received from federal, private or other sources. Moneys for loans, loan guarantees and grants under the small business incubator program may be obtained from appropriations made by the general assembly from the Missouri small business incubators fund. Any moneys remaining in the Missouri small business incubators fund at the end of any fiscal year shall not lapse to the general revenue fund, as provided in section 33.080, but shall remain in the Missouri small business incubators fund.

11. For any taxable year beginning after December 31, 1989, a taxpayer, including any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, shall be entitled to a tax credit against any tax otherwise due under the provisions of chapter 143, or chapter 147, or chapter 148, excluding withholding tax imposed by sections 143.191 to 143.265, in the amount of fifty percent of any amount contributed by the taxpayer to the Missouri small business incubators fund during the taxpayer's tax year or any contribution by the taxpayer to a local sponsor after the local sponsor's application has been accepted and approved by the department. The tax credit allowed

by this subsection shall be claimed by the taxpayer at the time he files his return and shall be applied against the income tax liability imposed by chapter 143, or chapter 147, or chapter 148, after all other credits provided by law have been applied. That portion of earned tax credits which exceeds the taxpayer's tax liability may be carried forward for up to five years. The aggregate of all tax credits authorized under this section shall not exceed five hundred thousand dollars in any taxable year. Notwithstanding provisions of law to the contrary, no tax credits authorized under the provision of this section shall be authorized on or after the effective date of this act. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to the effective date of this act, or a taxpayer's ability to redeem such tax credits.

12. Notwithstanding any provision of Missouri law to the contrary, any taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 11 of this section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the assignor for the purpose of this subsection, may sell, assign, exchange or otherwise transfer earned tax credits:

(1) For no less than seventy-five percent of the par value of such credits; and

(2) In an amount not to exceed one hundred percent of annual earned credits. The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may

use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed by chapter 143, or chapter 147, or chapter 148 excluding withholding tax imposed by sections 143.191 to 143.265. Unused credits in the hands of the assignee may be carried forward for up to five years. The assignor shall enter into a written agreement with the assignee establishing the terms and conditions of the agreement and shall perfect such transfer by notifying the department of economic development in writing within thirty calendar days following the effective day of the transfer and shall provide any information as may be required by the department of economic development to administer and carry out the provisions of this section. The director of the department of economic development shall prescribe the method for submitting applications for claiming the tax credit allowed under subsection 11 of this section and shall, if the application is approved, certify to the director of revenue that the taxpayer claiming the credit has satisfied all the requirements specified in this section and is eligible to claim the credit.

620.800. The following additional terms used in sections 620.800 to 620.809 shall mean:

(1) "Agreement", the agreement between a qualified company, a community college district, and the department concerning a training project. Any such agreement shall comply with the provisions of section 620.017;

(2) "Board of trustees", the board of trustees of a community college district established under the provisions of

chapter 178;

(3) "Certificate", new or retained jobs training certificates issued under section 620.809;

(4) "Committee", the MO jobs training joint legislative oversight committee, established by the department under the provisions of section 620.803;

(5) "MO Jobs Training Program", the training program established under sections 620.800 to 620.809;

(6) "Department", the Missouri department of economic development;

(7) "Employee", a person employed by a qualified company;

(8) "Full-time employee", an employee of the qualified company that is scheduled to work an average of at least thirty-five hours per week for a twelve-month period, and one for which the qualified company offers health insurance and pays at least fifty percent of such insurance premiums;

(9) "Local education agency", a community college, two-year state technical college, or a technical career education center;

(10) "New capital investment", shall include funds spent by the qualified company at the project facility after the approval of the notice of intent for real or personal property, and may include the present value of finance or capital leases for real or personal property for the term of such lease at the project facility executed after approval of the notice of intent;

(11) "New job", the number of full-time employees located at the project facility that exceeds the project facility base

employment less any decrease in the number of full-time employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job. An employee that spends less than fifty percent of the employee's work time at the facility is still considered to be located at a facility if the employee receives his or her directions and control from that facility, is on the facility's payroll, one hundred percent of the employee's income from such employment is Missouri income, and the employee is paid at or above the applicable percentage of the county average wage;

(12) "New jobs credit", the credit from withholding remitted by a qualified company provided under subsection 6 of section 620.809;

(13) "Notice of intent", a form developed by the department, completed by the qualified company and submitted to the department which states the qualified company's intent to request benefits under this program;

(14) "Project facility", the building or buildings used by a qualified company at which new or retained jobs and any new capital investment are or will be located. A project facility may include separate buildings located within sixty miles of each other such that their purpose and operations are interrelated; provided, that where the buildings making up the project facility are not located within the same county, the average wage of the new payroll must exceed the highest county average wage among the counties in which the buildings are

located. Upon approval by the department, a subsequent project facility may be designated if the qualified company demonstrates a need to relocate to the subsequent project facility at any time during the project period;

(15) "Project facility base employment", the greater of the number of full-time employees located at the project facility on the date of the notice of intent or, for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at the project facility. In the event the project facility has not been in operation for a full twelve-month period, the average number of full-time employees for the number of months the project facility has been in operation prior to the date of the notice of intent;

(16) "Qualified company", a firm, partnership, joint venture, association, private or public corporation whether organized for profit or not, or headquarters of such entity registered to do business in Missouri that is the owner or operator of a project facility, offers health insurance to all full-time employees of all facilities located in this state, and pays at least fifty percent of such insurance premiums. For the purposes of sections 620.800 to 620.809, the term "qualified company" shall not include:

(a) Gambling establishments (NAICS industry group 7132);

(b) Retail trade establishments (NAICS sectors 44 and 45), except with respect to any company headquartered in this state with a majority of its full-time employees engaged in operations

not within the NAICS codes specified in this subdivision;

(c) Food and drinking places (NAICS subsector 722);

(d) Public utilities (NAICS 221 including water and sewer services);

(e) Any company that is delinquent in the payment of any nonprotested taxes or any other amounts due the state or federal government or any other political subdivision of this state;

(f) Any company requesting benefits for retained jobs that has filed for or has publicly announced its intention to file for bankruptcy protection. However, a company that has filed for or has publicly announced its intention to file for bankruptcy, may be a qualified company provided that such company:

a. Certifies to the department that it plans to reorganize and not to liquidate; and

b. After its bankruptcy petition has been filed, it produces proof, in a form and at times satisfactory to the department, that it is not delinquent in filing any tax returns or making any payment due to the state of Missouri, including but not limited to all tax payments due after the filing of the bankruptcy petition and under the terms of the plan of reorganization.

Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and shall forfeit such benefits and shall repay the

state an amount equal to any state tax credits already redeemed and any withholding taxes already retained;

(g) Educational services (NAICS sector 61);

(h) Religious organizations (NAICS industry group 8131);

(i) Public administration (NAICS sector 92);

(j) Ethanol distillation or production; or

(k) Biodiesel production.

Notwithstanding any provision of this section to the contrary, the headquarters, administrative offices, or research and development facilities of an otherwise excluded business may qualify for benefits if the offices or facilities serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the jobs and investment of such operation shall be considered eligible for benefits under this section if the other requirements are satisfied;

(17) "Related company":

(a) A corporation, partnership, trust, or association controlled by the qualified company;

(b) An individual, corporation, partnership, trust, or association in control of the qualified company; or

(c) Corporations, partnerships, trusts, or associations controlled by an individual, corporation, partnership, trust, or association in control of the qualified company. As used in this subdivision, "control of a corporation" shall mean ownership, directly or indirectly, of stock possessing at least

fifty percent of the total combined voting power of all classes of stock entitled to vote, "control of a partnership or association" shall mean ownership of at least fifty percent of the capital or profits interest in such partnership or association, "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

(18) "Related facility", a facility operated by the qualified company or a related company located in this state that is directly related to the operations of the project facility or in which operations substantially similar to the operations of the project facility are performed;

(19) "Related facility base employment", the greater of the number of full-time employees located at all related facilities on the date of the notice of intent or, for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at all related facilities of the qualified company or a related company located in this state;

(20) "Retained job", the average number of full-time employees of a qualified company located at the project facility during each month for the calendar year preceding the year in which the notice of intent is submitted;

(21) "Retained jobs credit", the credit from withholding remitted by a qualified company provided under subsection 6 of

section 620.809;

(22) "Targeted industry", an industry or one of a cluster of industries identified by the department by rule following a strategic planning process as being critical to the state's economic security and growth;

(23) "Training program", the MO jobs training program established under sections 620.800 to 620.809;

(24) "Training project", the project or projects established through the MO jobs training program for the creation or retention of jobs by providing education and training of workers;

(25) "Training project costs", all necessary and incidental costs of providing program services through the training program, including:

(a) Training materials and supplies;

(b) Wages and benefits of instructors, who may or may not be employed by the eligible industry, and the cost of training such instructors;

(c) Subcontracted services;

(d) On-the-job training;

(e) Training facilities and equipment;

(f) Skill assessment;

(g) Training project and curriculum development;

(h) Travel directly to the training project, including a coordinated transportation program for trainings if the training can be more effectively provided outside the community where the jobs are to be located;

(i) Payments to third party training providers and to the eligible industry;

(j) Teaching and assistance provided by educational institutions in the state of Missouri;

(k) In-plant training analysis, including fees for professionals and necessary travel and expenses;

(l) Assessment and preselection tools;

(m) Publicity;

(n) Instructional services;

(o) Rental of instructional facilities with necessary utilities; and

(p) Payment of the principal, premium, and interest on certificates, including capitalized interest, issued to finance a project, and the funding and maintenance of a debt service reserve fund to secure such certificates;

(26) "Training project services", includes, but shall not be limited to, the following:

(a) Job training, which may include, but not be limited to, preemployment training, analysis of the specified training needs for a qualified company, development of training plans, and provision of training through qualified training staff;

(b) Adult basic education and job-related instruction;

(c) Vocational and skill-assessment services and testing;

(d) Training facilities, equipment, materials, and supplies;

(e) On-the-job training;

(f) Administrative expenses equal to fifteen percent of

the total training costs;

(g) Subcontracted services with state institutions of higher education, private colleges or universities, or other federal, state, or local agencies;

(h) Contracted or professional services; and

(i) Issuance of certificates, when applicable.

620.803. 1. The department shall establish a "MO Jobs Training Program" to assist qualified companies for the training of employees in new jobs and the retraining or upgrading of skills of full-time employees in retained jobs as provided in sections 620.800 to 620.809. The training program shall be funded through appropriations to the funds established under sections 620.806 and 620.809. The department shall, to the maximum extent practicable, prioritize funding under the training program to assist qualified companies in targeted industries.

2. There is hereby created the "MO Jobs Training Joint Legislative Oversight Committee". The committee shall consist of three members of the Missouri senate appointed by the president pro tem of the senate; and three members of the house of representatives appointed by the speaker of the house. No more than two of the members of the senate and two of the members of the house of representatives shall be from the same political party. Members of the committee shall report to the governor, the president pro tem of the senate and the speaker of the house of representatives on all assistance to industries under the provisions of sections 620.800 to 620.809 provided

during the preceding fiscal year. The report of the committee shall be delivered no later than October first of each year. The director of the department shall report to the committee such information as the committee may deem necessary for its annual report. Members of the committee shall receive no compensation in addition to their salary as members of the general assembly, but may receive their necessary expenses while attending the meetings of the committee, to be paid out of the joint contingent fund.

3. The department shall publish guidelines and may promulgate rules and regulations governing the training program. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid and void.

4. The department shall make program applications and guidelines available on-line.

5. The department may contract with other entities, including businesses, industries, other state agencies, and the political subdivisions of the state for the purposes of carrying

out the provisions of the training program established in sections 620.800 to 620.809. Any assistance through the training program shall be provided pursuant to an agreement.

6. Prior to the authorization of any application submitted through the training program, the department shall verify the applicant's tax payment status and offset any delinquencies as provided in section 135.815.

620.806. 1. The "Missouri Job Development Fund", formerly established in the state treasury by section 620.478, shall now be known as the "MO Jobs Development Fund" and shall be administered by the department for the training program. The fund shall consist of all moneys which may be appropriated to it by the general assembly and also any gifts, contributions, grants, or bequests received from federal, private or other sources, including, but not limited to, any block grant or other sources of funding relating to job training, school-to-work transition, welfare reform, vocational and technical training, housing, infrastructure, development, and human resource investment programs which may be provided by the federal government or other sources.

2. The department may provide financial assistance through the training program to qualified companies that create new jobs which will result in the need for training, or that make new capital investment relating directly to the retention of retained jobs in an amount at least five times greater than the amount of any financial assistance. Financial assistance may also be provided to a consortium of qualified companies

organized for the purpose of providing for common training to the consortium members' employees. Funds in the MO jobs development fund shall be appropriated, for financial assistance through the training program, by the general assembly to the department and shall be administered by a local educational agency certified by the department for such purpose. Except for state-sponsored pre-employment training, no qualified company shall receive more than fifty percent of its training program costs from the MO jobs development fund. No funds shall be awarded or reimbursed to any qualified company for the training, retraining, or upgrading of skills of potential employees with the purpose of replacing or supplanting employees engaged in an authorized work stoppage. Upon approval by the department, training project costs, except the purchase of training equipment and training facilities, shall be eligible for reimbursement with funds from the MO jobs development fund. Notwithstanding any provision of law to the contrary, no qualified company within a service industry shall be eligible for assistance under this subsection unless such qualified company provides services in interstate commerce, which shall mean that the qualified company derives a majority of its annual revenues from out of the state.

3. The department may provide assistance, through appropriations made from the MO jobs development fund, to business and technology centers. Such assistance shall not include the lending of the state's credit for the payment of any liability of the fund. Such centers may be established by

Missouri community colleges, or a state-owned postsecondary technical college, to provide business and training services for growth industries as determined by current labor market information.

620.809. 1. The "Missouri Community College Job Training Program Fund", formerly established in the state treasury by section 178.896, shall now be known as the "MO Jobs Community College New Jobs Training Fund", and shall be administered by the department for the training program. The department of revenue shall credit to the fund, as received, all new jobs credits. The fund shall also consist of any gifts, contributions, grants, or bequests received from federal, private, or other sources. The general assembly, however, shall not provide for any transfer of general revenue funds into the fund. Moneys in the fund shall be disbursed to the department pursuant to regular appropriations by the general assembly. The department shall disburse such appropriated funds in a timely manner into the special funds established by community college districts for training projects, which funds shall be used to pay training project costs. Such disbursements shall be made to the special fund for each training project in the same proportion as the new jobs credit remitted by the qualified company participating in such project bears to the total new jobs credit from withholding remitted by all qualified companies participating in projects during the period for which the disbursement is made. All moneys remaining in the fund at the end of any fiscal year shall not lapse to the general revenue

fund, as provided in section 33.080, but shall remain in the fund.

2. The "Missouri Community College Job Retention Training Program Fund", formerly established in the state treasury by section 178.764, shall now be known as the "MO Jobs Community College Job Retention Training Fund", and shall be administered by the department for the MO jobs training program. The department of revenue shall credit to the fund, as received, all retained jobs credits. The fund shall also consist of any gifts, contributions, grants, or bequests received from federal, private, or other sources. The general assembly, however, shall not provide for any transfer of general revenue funds into the fund. Moneys in the fund shall be disbursed to the department pursuant to regular appropriations by the general assembly. The department shall disburse such appropriated funds in a timely manner into the special funds established by community college districts for projects, which funds shall be used to pay training program costs, including the principal, premium, and interest on certificates issued by the district to finance or refinance, in whole or in part, a project. Such disbursements by the department shall be made to the special fund for each project in the same proportion as the retained jobs credit from withholding remitted by the qualified company participating in such project bears to the total retained jobs credit from withholding remitted by qualified companies participating in projects during the period for which the disbursement is made. All moneys remaining in the fund at the end of any fiscal year

shall not lapse to the general revenue fund, as provided in section 33.080, but shall remain in the fund.

3. The department of revenue shall develop such forms as are necessary to demonstrate accurately each qualified company's new jobs credit paid into the MO jobs community college new jobs training fund or retained jobs credit paid into the MO jobs community college job retention training fund. The new or retained jobs credits shall be accounted as separate from the normal withholding tax paid to the department of revenue by the qualified company. Reimbursements made by all qualified companies to the MO jobs community college new jobs training fund and the MO jobs community college job retention training fund shall be no less than all allocations made by the department to all community college districts for all projects. The qualified company shall remit the amount of the new or retained jobs credit, as applicable, to the department of revenue in the same manner as provided in sections 143.191 to 143.265.

4. A community college district, with the approval of the department in consultation with the office of administration, may enter into an agreement to establish a training project and provide training project services to a qualified company. As soon as possible after initial contact between a community college district and a potential qualified company regarding the possibility of entering into an agreement, the district shall inform the department of the potential training project. The department shall evaluate the proposed training project within

the overall job training efforts of the state to ensure that the training project will not duplicate other job training programs. The department shall have fourteen days from receipt of a notice of intent to approve or disapprove training projects. If no response is received by the qualified company within fourteen days, the training project shall be deemed approved. Disapproval of any training project shall be made in writing and state the reasons for such disapproval. If an agreement is entered into, the district and the qualified company shall notify the department of revenue within fifteen calendar days. In addition to any provisions required under subsection 5 of this section for a qualified company applying to receive a retained job credit, an agreement may provide, but shall not be limited to:

(1) Payment of training project costs, which may be paid from one or a combination of the following sources:

(a) Funds appropriated by the general assembly to the MO jobs community college new jobs training program fund or MO jobs community college job retention training program fund, as applicable, and disbursed by the department for the purposes consistent with sections 620.800 to 620.809;

(b) Tuition, student fees, or special charges fixed by the board of trustees to defray training project costs in whole or in part;

(2) Payment of training project costs shall not be deferred for a period longer than eight years;

(3) Costs of on-the-job training for employees shall

include wages or salaries of participating employees. Payments for on-the-job training shall not exceed the average of fifty percent of the total wages paid by the qualified company to each participant during the period of training. Payment for on-the-job training may continue for up to six months from the date the training begins;

(4) A provision which fixes the minimum amount of new or retained jobs credits, or tuition and fee payments which shall be paid for training project costs;

(5) Any payment required to be made by a qualified company shall constitute a lien upon the qualified company's business property until paid and have equal priority with ordinary taxes and shall not be divested by a judicial sale. Property subject to such lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchasers at tax sale shall obtain the property subject to the remaining payments.

5. Any qualified company that submits a notice of intent for retained job credits shall enter into an agreement providing that the qualified company has:

(1) Maintained at least one hundred full-time employees per year at the project facility for the calendar year preceding the year in which the application is made;

(2) Retained, at the project facility, the same number of employees that existed in the taxable year immediately preceding the year in which application is made; and

(3) Made or agrees to make a new capital investment of

greater than five times the amount of any award under this training program at the project facility over a period of two consecutive calendar years, as certified by the qualified company and:

(a) Has made substantial investment in new technology requiring the upgrading of employee skills; or

(b) Is located in a border county of the state and represent a potential risk of relocation from the state; or

(c) Has been determined to represent a substantial risk of relocation from the state by the director of the department of economic development.

6. If an agreement provides that all or part of training program costs are to be met by receipt of new or retained jobs credit, such new or retained jobs credit from withholding shall be determined and paid as follows:

(1) New or retained jobs credit shall be based upon the wages paid to the employees in the new or retained jobs;

(2) A portion of the total payments made by the qualified companies under sections 143.191 to 143.265 shall be designated as the new or retained jobs credit from withholding. Such portion shall be an amount equal to two and one-half percent of the gross wages paid by the qualified company for each of the first one hundred jobs included in the project and one and one-half percent of the gross wages paid by the qualified company for each of the remaining jobs included in the project. If business or employment conditions cause the amount of the new or retained jobs credit from withholding to be less than the amount

projected in the agreement for any time period, then other withholding tax paid by the qualified company under sections 143.191 to 143.265 shall be credited to the applicable fund by the amount of such difference. The qualified company shall remit the amount of the new or retained jobs credit to the department of revenue in the manner prescribed in sections 143.191 to 143.265. When all training program costs have been paid, the new or retained jobs credits shall cease;

(3) The community college district participating in a project shall establish a special fund for and in the name of the training project. All funds appropriated by the general assembly from the funds established under subsections 1 and 2 of this section, and disbursed by the department for the training project and other amounts received by the district for training project costs as required by the agreement shall be deposited in the special fund. Amounts held in the special fund shall be used and disbursed by the district only to pay training project costs for such training project. The special fund may be divided into such accounts and subaccounts as shall be provided in the agreement, and amounts held therein may be invested in the same manner as the district's other funds;

(4) Any disbursement for training project costs, received from the department under sections 620.800 to 620.809 and placed into the training project's special fund may be irrevocably pledged by a community college district for the payment of the principal, premium, and interest on the certificate issued by a community college district to finance or refinance, in whole or

in part, such training project;

(5) The qualified company shall certify to the department of revenue that the new or retained jobs credit is in accordance with an agreement and shall provide other information the department of revenue may require;

(6) An employee participating in a training project shall receive full credit under section 143.211, for the amount designated as a new or retained jobs credit;

(7) If an agreement provides that all or part of training program costs are to be met by receipt of new or retained jobs credit, the provisions of this subsection shall also apply to any successor to the original qualified company until such time as the principal and interest on the certificates have been paid.

7. To provide funds for the present payment of the training project costs of new or retained jobs training project through the training program, a community college district may borrow money and issue and sell certificates payable from a sufficient portion of the future receipts of payments authorized by the agreement including disbursements from the MO jobs community college new jobs training fund or the MO jobs community college job retention training fund, to the special fund established by the district for each project. The total amount of outstanding certificates sold by all community college districts shall not exceed the total amount authorized pursuant to law as of January 1, 2011, unless an increased amount is authorized in writing by a majority of members of the committee. The certificates shall be marketed through financial

institutions authorized to do business in Missouri. The receipts shall be pledged to the payment of principal of and interest on the certificates. Certificates may be sold at public sale or at private sale at par, premium, or discount of not less than ninety-five percent of the par value thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as the board of trustees shall determine, notwithstanding the provisions of section 108.170 to the contrary. However, the provisions of chapter 176 shall not apply to the issuance of such certificates. Certificates may be issued with respect to a single project or multiple projects and may contain terms or conditions as the board of trustees may provide by resolution authorizing the issuance of the certificates.

8. Certificates issued to refund other certificates may be sold at public sale or at private sale as provided in this section with the proceeds from the sale to be used for the payment of the certificates being refunded. The refunding certificates may be exchanged in payment and discharge of the certificates being refunded, in installments at different times or an entire issue or series at one time. Refunding certificates may be sold or exchanged at any time on, before, or after the maturity of the outstanding certificates to be refunded. They may be issued for the purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

9. Before certificates are issued, the board of trustees shall publish once a notice of its intention to issue the certificates, stating the amount, the purpose, and the project or projects for which the certificates are to be issued. A person with standing may, within fifteen days after the publication of the notice, by action in the circuit court of a county in the district, appeal the decision of the board of trustees to issue the certificates. The action of the board of trustees in determining to issue the certificates shall be final and conclusive unless the circuit court finds that the board of trustees has exceeded its legal authority. An action shall not be brought which questions the legality of the certificates, the power of the board of trustees to issue the certificates, the effectiveness of any proceedings relating to the authorization of the project, or the authorization and issuance of the certificates from and after fifteen days from the publication of the notice of intention to issue.

10. The board of trustees shall make a finding based on information supplied by the qualified company that revenues provided in the agreement are sufficient to secure the faithful performance of obligations in the agreement.

11. Certificates issued under this section shall not be deemed to be an indebtedness of the state or the community college district or of any other political subdivision of the state, and the principal and interest on any certificates shall be payable only from the sources provided in subdivision (1) of subsection 4 of this section which are pledged in the agreement.

12. The provisions of the new program authorized under sections 620.800 to 620.809 shall sunset automatically on July 1, 2018, unless reauthorized by an act of the general assembly.

620.1878. For the purposes of sections 620.1875 to 620.1890, the following terms shall mean:

(1) "Approval", a document submitted by the department to the qualified company that states the benefits that may be provided by this program;

(2) "Average wage", the new payroll divided by the number of new jobs;

(3) "Commencement of operations", the starting date for the qualified company's first new employee, which must be no later than twelve months from the date of the approval;

(4) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the county average wage for each county at least annually. Notwithstanding the provisions of this subdivision to the contrary, for any qualified company that in conjunction with their project is relocating employees from a Missouri county with a higher county average wage, the company shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage

for the county from which the employees are being relocated;

(5) "Department", the Missouri department of economic development;

(6) "Director", the director of the department of economic development;

(7) "Employee", a person employed by a qualified company;

(8) "Full-time employee", an employee of the qualified company that is scheduled to work an average of at least thirty-five hours per week for a twelve-month period, and one for which the qualified company offers health insurance and pays at least fifty percent of such insurance premiums;

(9) "High-impact project", a qualified company that, within two years from commencement of operations, creates one hundred or more new jobs;

(10) "Local incentives", the present value of the dollar amount of direct benefit received by a qualified company for a project facility from one or more local political subdivisions, but shall not include loans or other funds provided to the qualified company that must be repaid by the qualified company to the political subdivision;

(11) "NAICS", the 1997 edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget. Any NAICS sector, subsector, industry group or industry identified in this section shall include its corresponding classification in subsequent federal industry classification systems;

(12) "New direct local revenue", the present value of the

dollar amount of direct net new tax revenues of the local political subdivisions likely to be produced by the project over a ten-year period as calculated by the department, excluding local earnings tax, and net new utility revenues, provided the local incentives include a discount or other direct incentives from utilities owned or operated by the political subdivision;

(13) "New capital investment", shall include funds spent by the qualified company at the project facility after the approval of the notice of intent for real or personal property, and may include the present value of finance or capital leases for real or personal property for the term of such lease at the project facility executed after approval of the notice of intent;

(14) "New investment", the purchase or leasing of new tangible assets to be placed in operation at the project facility, which will be directly related to the new jobs;

[(14)**]** (15) "New job", the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job. An employee that spends less than fifty percent of the employee's work time at the facility is still considered to be located at a facility if the employee receives his or her directions and control from that facility, is on the facility's payroll, one hundred percent of the employee's income from such employment is Missouri income, and the employee is paid at or above the state

average wage;

[(15)**]** (16) "New payroll", the amount of taxable wages of full-time employees, excluding owners, located at the project facility that exceeds the project facility base payroll. If full-time employment at related facilities is below the related facility base employment, any decrease in payroll for full-time employees at the related facilities below that related facility base payroll shall also be subtracted to determine new payroll;

[(16)**]** (17) "Notice of intent", a form developed by the department, completed by the qualified company and submitted to the department which states the qualified company's intent to hire new jobs and request benefits under this program;

[(17)**]** (18) "Percent of local incentives", the amount of local incentives divided by the amount of new direct local revenue;

[(18)**]** (19) "Program", the Missouri quality jobs program provided in sections 620.1875 to 620.1890;

[(19)**]** (20) "Project facility", the building used by a qualified company at which the new jobs and new investment will be located. A project facility may include separate buildings that are located within fifteen miles of each other or within the same county such that their purpose and operations are interrelated;

[(20)**]** (21) "Project facility base employment", the greater of the number of full-time employees located at the project facility on the date of the notice of intent or for the twelve-month period prior to the date of the notice of intent,

the average number of full-time employees located at the project facility. In the event the project facility has not been in operation for a full twelve-month period, the average number of full-time employees for the number of months the project facility has been in operation prior to the date of the notice of intent;

[(21)**]** (22) "Project facility base payroll", the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at the project facility in the twelve months prior to the notice of intent, not including the payroll of the owners of the qualified company unless the qualified company is participating in an employee stock ownership plan. For purposes of calculating the benefits under this program, the amount of base payroll shall increase each year based on an appropriate measure, as determined by the department;

[(22)**]** (23) "Project period", the time period that the benefits are provided to a qualified company;

(24) "Projected net fiscal benefit", the total fiscal benefit to the state less any state benefits offered to the qualified company, as determined by the department;

[(23)**]** (25) "Qualified company", a firm, partnership, joint venture, association, private or public corporation whether organized for profit or not, or headquarters of such entity registered to do business in Missouri that is the owner or operator of a project facility, offers health insurance to all full-time employees of all facilities located in this state,

and pays at least fifty percent of such insurance premiums. For the purposes of sections 620.1875 to 620.1890, the term "qualified company" shall not include:

(a) Gambling establishments (NAICS industry group 7132);

(b) Retail trade establishments (NAICS sectors 44 and 45);

(c) Food and drinking places (NAICS subsector 722);

(d) Public utilities (NAICS 221 including water and sewer services);

(e) Any company that is delinquent in the payment of any nonprotested taxes or any other amounts due the state or federal government or any other political subdivision of this state;

(f) Any company that has filed for or has publicly announced its intention to file for bankruptcy protection. However, a company that has filed for or has publicly announced its intention to file for bankruptcy between January 1, 2009, and December 31, 2009, may be a qualified company provided that such company:

a. Certifies to the department that it plans to reorganize and not to liquidate; and

b. After its bankruptcy petition has been filed, it produces proof, in a form and at times satisfactory to the department, that it is not delinquent in filing any tax returns or making any payment due to the state of Missouri, including but not limited to all tax payments due after the filing of the bankruptcy petition and under the terms of the plan of reorganization. Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of the

United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and shall forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained;

(g) Educational services (NAICS sector 61);

(h) Religious organizations (NAICS industry group 8131);

(i) Public administration (NAICS sector 92);

(j) Ethanol distillation or production; or

(k) Biodiesel production. Notwithstanding any provision of this section to the contrary, the headquarters or administrative offices of an otherwise excluded business may qualify for benefits if the offices serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the new jobs and investment of such headquarters operation is considered eligible for benefits under this section if the other requirements are satisfied;

[(24)**]** (26) "Qualified renewable energy sources" shall not be construed to include ethanol distillation or production or biodiesel production; however, it shall include:

(a) Open-looped biomass;

(b) Close-looped biomass;

(c) Solar;

(d) Wind;

(e) Geothermal; and

(f) Hydropower;

[(25)**]** (27) "Related company" means:

(a) A corporation, partnership, trust, or association controlled by the qualified company;

(b) An individual, corporation, partnership, trust, or association in control of the qualified company; or

(c) Corporations, partnerships, trusts or associations controlled by an individual, corporation, partnership, trust or association in control of the qualified company. As used in this subdivision, "control of a corporation" shall mean ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote, "control of a partnership or association" shall mean ownership of at least fifty percent of the capital or profits interest in such partnership or association, "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

[(26)**]** (28) "Related facility", a facility operated by the qualified company or a related company located in this state that is directly related to the operations of the project facility;

[(27)**]** (29) "Related facility base employment", the greater of the number of full-time employees located at all related facilities on the date of the notice of intent or for the twelve-month period prior to the date of the notice of

intent, the average number of full-time employees located at all related facilities of the qualified company or a related company located in this state;

[(28)**]** (30) "Related facility base payroll", the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at a related facility in the twelve months prior to the filing of the notice of intent, not including the payroll of the owners of the qualified company unless the qualified company is participating in an employee stock ownership plan. For purposes of calculating the benefits under this program, the amount of related facility base payroll shall increase each year based on an appropriate measure, as determined by the department;

[(29)**]** (31) "Rural area", a county in Missouri with a population less than seventy-five thousand or that does not contain an individual city with a population greater than fifty thousand according to the most recent federal decennial census;

[(30)**]** (32) "Small and expanding business project", a qualified company that within two years of the date of the approval creates a minimum of twenty new jobs if the project facility is located in a rural area or a minimum of forty new jobs if the project facility is not located in a rural area and creates fewer than one hundred new jobs regardless of the location of the project facility;

[(31)**]** (33) "Tax credits", tax credits issued by the department to offset the state income taxes imposed by chapters 143 and 148, or which may be sold or refunded as provided for in

this program;

[(32)**]** (34) "Technology business project", a qualified company that within two years of the date of the approval creates a minimum of ten new jobs involved in the operations of a company:

(a) Which is a technology company, as determined by a regulation promulgated by the department under the provisions of section 620.1884 or classified by NAICS codes;

(b) Which owns or leases a facility which produces electricity derived from qualified renewable energy sources, or produces fuel for the generation of electricity from qualified renewable energy sources, but does not include any company that has received the alcohol mixture credit, alcohol credit, or small ethanol producer credit pursuant to 26 U.S.C. Section 40 of the tax code in the previous tax year;

(c) Which researches, develops, or manufactures power system technology for: aerospace; space; defense; hybrid vehicles; or implantable or wearable medical devices; or

(d) Which is a clinical molecular diagnostic laboratory focused on detecting and monitoring infections in immunocompromised patient populations;

[(33)**]** (35) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For purposes of this program, the withholding tax shall be computed using a schedule as determined by the department based on average wages.

620.1881. 1. The department of economic development shall respond within thirty days to a company who provides a notice of

intent with either an approval or a rejection of the notice of intent. The department shall give preference to qualified companies and projects targeted at an area of the state which has recently been classified as a disaster area by the federal government. Failure to respond on behalf of the department of economic development shall result in the notice of intent being deemed an approval for the purposes of this section. A qualified company who is provided an approval for a project shall be allowed a benefit as provided in this program in the amount and duration provided in this section. A qualified company may receive additional periods for subsequent new jobs at the same facility after the full initial period if the minimum thresholds are met as set forth in sections 620.1875 to 620.1890. There is no limit on the number of periods a qualified company may participate in the program, as long as the minimum thresholds are achieved and the qualified company provides the department with the required reporting and is in proper compliance for this program or other state programs. A qualified company may elect to file a notice of intent to start a new project period concurrent with an existing project period if the minimum thresholds are achieved and the qualified company provides the department with the required reporting and is in proper compliance for this program and other state programs; however, the qualified company may not receive any further benefit under the original approval for jobs created after the date of the new notice of intent, and any jobs created before the new notice of intent may not be included as new jobs for the

purpose of benefit calculation in relation to the new approval. When a qualified company has filed and received approval of a notice of intent and subsequently files another notice of intent, the department shall apply the definition of project facility under subdivision **[**(19)**]** (20) of section 620.1878 to the new notice of intent as well as all previously approved notices of intent and shall determine the application of the definitions of new job, new payroll, project facility base employment, and project facility base payroll accordingly.

2. Notwithstanding any provision of law to the contrary, any qualified company that is awarded benefits under this program may not simultaneously receive tax credits or exemptions under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906 at the same project facility. The benefits available to the company under any other state programs for which the company is eligible and which utilize withholding tax from the new jobs of the company must first be credited to the other state program before the withholding retention level applicable under the Missouri quality jobs act will begin to accrue. These other state programs include, but are not limited to, the new jobs training program under sections 178.892 to 178.896, the job retention program under sections 178.760 to 178.764, the real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any qualified company also

participates in the new jobs training program in sections 178.892 to 178.896, the company shall retain no withholding tax, but the department shall issue a refundable tax credit for the full amount of benefit allowed under this subdivision. The calendar year annual maximum amount of tax credits which may be issued to a qualifying company that also participates in the new job training program shall be increased by an amount equivalent to the withholding tax retained by that company under the new jobs training program. However, if the combined benefits of the quality jobs program and the new jobs training program exceed the projected state benefit of the project, as determined by the department of economic development through a cost-benefit analysis, the increase in the maximum tax credits shall be limited to the amount that would not cause the combined benefits to exceed the projected state benefit. Any taxpayer who is awarded benefits under this program who knowingly hires individuals who are not allowed to work legally in the United States shall immediately forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained.

3. The types of projects and the amount of benefits to be provided are:

(1) Small and expanding business projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount equal to the withholding tax as calculated under subdivision **[**(33)**]**

(35) of section 620.1878 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 for a period of three years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds the county average wage or for a period of five years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage;

(2) Technology business projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount equal to a maximum of five percent of new payroll for a period of five years from the date the required number of jobs were created from the withholding tax of the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 if the average wage of the new payroll equals or exceeds the county average wage. An additional one-half percent of new payroll may be added to the five percent maximum if the average wage of the new payroll in any year exceeds one hundred twenty percent of the county average wage in the county in which the project facility is located, plus an additional one-half percent of new payroll may be added if the average wage of the new payroll in any year exceeds one hundred forty percent of the average wage in the county in which the project facility is located. The department

shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subdivision and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subdivision;

(3) High impact projects: in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount from the withholding tax of the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years from the date the required number of jobs were created if the average wage of the new payroll equals or exceeds the county average wage of the county in which the project facility is located. For high-impact projects in a facility located within two adjacent counties, the new payroll shall equal or exceed the higher county average wage of the adjacent counties. The percentage of payroll allowed under this subdivision shall be three and one-half percent of new payroll if the average wage of the new payroll in any year exceeds one hundred twenty percent of the county average wage in the county in which the project facility is located. The percentage of payroll allowed under this subdivision shall be four percent of new payroll if the average wage of the new payroll in any year exceeds one hundred forty

percent of the county average wage in the county in which the project facility is located. An additional one percent of new payroll may be added to these percentages if local incentives equal between ten percent and twenty-four percent of the new direct local revenue; an additional two percent of new payroll is added to these percentages if the local incentives equal between twenty-five percent and forty-nine percent of the new direct local revenue; or an additional three percent of payroll is added to these percentages if the local incentives equal fifty percent or more of the new direct local revenue. The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subdivision and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subdivision;

(4) Job retention projects: a qualified company may receive a tax credit for the retention of jobs in this state, provided the qualified company and the project meets all of the following conditions:

(a) For each of the twenty-four months preceding the year in which application for the program is made the qualified company must have maintained at least one thousand full-time employees at the employer's site in the state at which the jobs are based, and the average wage of such employees must meet or exceed the county average wage;

(b) The qualified company retained at the project facility

the level of full-time employees that existed in the taxable year immediately preceding the year in which application for the program is made;

(c) The qualified company is considered to have a significant statewide effect on the economy, and has been determined to represent a substantial risk of relocation from the state by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development;

(d) The qualified company in the project facility will cause to be invested a minimum of seventy million dollars in new investment prior to the end of two years or will cause to be invested a minimum of thirty million dollars in new investment prior to the end of two years and maintain an annual payroll of at least seventy million dollars during each of the years for which a credit is claimed; and

(e) The local taxing entities shall provide local incentives of at least fifty percent of the new direct local revenues created by the project over a ten-year period. The quality jobs advisory task force may recommend to the department of economic development that appropriate penalties be applied to the company for violating the agreement. The amount of the job retention credit granted may be equal to up to fifty percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of five years. The calendar

year annual maximum amount of tax credit that may be issued to any qualified company for a job retention project or combination of job retention projects shall be seven hundred fifty thousand dollars per year, but the maximum amount may be increased up to one million dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting the increased limit on behalf of the job retention project. In no event shall the total amount of all tax credits issued for the entire job retention program under this subdivision exceed three million dollars annually. Notwithstanding the above, no tax credits shall be issued for job retention projects approved by the department after August 30, 2013;

(5) Job retention projects: In lieu of the benefits provided under subdivision (4) of this subsection and in exchange for the consideration provided by the tax revenues and other economic stimuli that will be generated by the retention of jobs and new capital investment in this state, a qualified company may be eligible to receive the benefits described in this subdivision if the department determines that there is a significant probability that the qualified company would relocate to another state in the absence of the benefits

authorized under this subdivision.

(a) A qualified company meeting the requirements of this subdivision may be authorized to retain an amount not to exceed one hundred percent of the withholding tax from full-time jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, for a period of ten years if the average wage of the retained jobs equals or exceeds ninety percent of the county average wage. In order to receive benefits under this subdivision, a qualified company shall enter into a written agreement, with the department, containing detailed performance requirements and repayment penalties in the event of nonperformance. The amount of benefits awarded to a qualified company under this subdivision shall not exceed the projected net fiscal benefit and shall not exceed the least amount necessary to obtain the qualified company's commitment to retain the necessary number of jobs and make the required new capital investment.

(b) In order to be eligible to receive benefits under this subdivision, the qualified company shall meet each of the following conditions:

a. The qualified company shall agree to retain, for a period of ten years from the date of approval, at least one hundred and twenty-five full-time employees; and

b. The qualified company shall agree to make a new capital investment at the project facility within two years of the approval in an amount equal to at least three times the amount of the benefits, available under this subdivision, which are

offered to the qualified company by the department.

(c) In awarding benefits under this subdivision, the department shall consider the following factors:

a. The significance of the qualified company's need for program benefits;

b. The amount of projected net fiscal benefit to the state of the project and the period in which the state would realize such net fiscal benefit;

c. The overall size and quality of the proposed project, including the number of new jobs, new capital investment, proposed wages, growth potential of the qualified company, the potential multiplier effect of the project, and similar factors;

d. The financial stability and creditworthiness of the qualified company;

e. The level of economic distress in the area;

f. An evaluation of the competitiveness of alternative locations for the project facility, as applicable; and

g. The percent of local incentives committed;

(d) Upon approval of a notice of intent to request benefits under this subdivision, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

a. The committed number of full-time employees, payroll, and new capital investment for each year during the project period;

b. Clawback provisions, as may be required by the

department; and

c. Any other provisions the department may require.

(e) In no event shall the total amount of benefits available to all qualified companies under this subdivision exceed:

a. Three million dollars for the fiscal year beginning on or after July 1, 2011, and ending on or before June 30, 2012;

b. Four million dollars for the fiscal year beginning on or after July 1, 2012, and ending on or before June 30, 2013;

c. Five million dollars for the fiscal year beginning on or after July 1, 2013, and ending on or before June 30, 2014; and

d. Six million dollars for all fiscal years beginning on or after July 1, 2014.

(6) The department may award a qualified company meeting the requirements of this subdivision (5) of this subsection tax credits in an amount not to exceed eighty percent of the amount the qualified company may otherwise be eligible to retain for a period of five years under subdivision (5) of this subsection.

(a) In addition to satisfying each of the requirements of subdivision (5) of this subsection, a qualified company requesting tax credits under this subdivision shall provide to the department, prior to approval, evidence of commitments for the financing of any applicable new capital investment. The new capital investment shall be made at the project facility within two years of the date of approval.

(b) Upon approval of a notice of intent to request tax

credits under this subdivision, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

a. The committed number of jobs, payroll, and new capital investment for each year during the project period;

b. The date or time period during which the tax credits shall be issued, which may be immediately or over a period not to exceed two years from the date of approval;

c. Penalties, including the recapture of tax credits awarded under this subdivision, for failure to satisfy the requirements provided under this subdivision and subdivision (5) of this subsection; and

d. Any other provisions the department may require.

(c) No later than October 1, 2011, and the first day of October each year thereafter, the department shall provide to the budget committee of the house of representatives and the appropriations committee of the senate a request for an appropriation for the tax credits authorized under this subdivision. Appropriations made pursuant to the provisions of this subdivision shall provide the amount of tax credits which may be authorized during the fiscal year immediately following the fiscal year in which such appropriation is made. Appropriations provided under this subdivision shall only be made in the annual appropriation bill relating to public debt.

(d) No tax credits shall be authorized under the

provisions of this subdivision, unless an appropriation is made pursuant to the provisions of paragraph (c) of this subdivision. In any fiscal year for which an appropriation is made pursuant to the provisions of paragraph (c) of this subdivision, no more than the amount of tax credits so appropriated shall be authorized. There is hereby created in the state treasury the "Missouri Quality Jobs Retention Tax Credit Program Fund", which shall consist of money appropriated under this subsection. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for the administration of this subdivision. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund for tax credits which have been authorized but not yet redeemed at the end of the fiscal year shall not revert to the credit of the general revenue fund. Any moneys remaining in the fund at the end of the fiscal year for any tax credits which remain unauthorized at the end of the fiscal year shall revert to the credit of the general revenue fund. Provisions of section 32.057 to the contrary notwithstanding, the department of revenue shall notify the director of the department upon redemption of each tax credit authorized under the provisions of this subdivision. Upon such notification, an amount equal to the tax credits redeemed shall be transferred from the fund created in this subdivision to the general revenue fund. In the event the department determines that any tax credit authorized under this

subsection is precluded from being redeemed due to contractual agreement entered into by the department and the tax credit applicant or is otherwise precluded by law from being redeemed, an amount equal to such tax credit shall be transferred from the fund created in this subdivision to the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the general revenue fund at the end of each fiscal year.

(7) Small business job retention and flood survivor relief: a qualified company may receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood survivor relief in this state for each job retained over a three-year period, provided that:

(a) The qualified company did not receive any state or federal benefits, incentives, or tax relief or abatement in locating its facility in a flood plain;

(b) The qualified company and related companies have fewer than one hundred employees at the time application for the program is made;

(c) The average wage of the qualified company's and related companies' employees must meet or exceed the county average wage;

(d) All of the qualified company's and related companies' facilities are located in this state;

(e) The facilities at the primary business site in this state have been directly damaged by floodwater rising above the

level of a five hundred year flood at least two years, but fewer than eight years, prior to the time application is made;

(f) The qualified company made significant efforts to protect the facilities prior to any impending danger from rising floodwaters;

(g) For each year it receives tax credits under sections 620.1875 to 620.1890, the qualified company and related companies retained, at the company's facilities in this state, at least the level of full-time, year-round employees that existed in the taxable year immediately preceding the year in which application for the program is made; and

(h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company cumulatively invests at least two million dollars in capital improvements in facilities and equipment located at such facilities that are not located within a five hundred year flood plain as designated by the Federal Emergency Management Agency, and amended from time to time. The amount of the small business job retention and flood survivor relief credit granted may be equal to up to one hundred percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of three years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a small business job retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the maximum amount may be increased up to five hundred thousand dollars if such action is proposed by the department and approved by the quality jobs

advisory task force established in section 620.1887. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting an increase in the limit on behalf of the small business job retention and flood survivor relief project. In no event shall the total amount of all tax credits issued for the entire small business job retention and flood survivor relief program under this subdivision exceed five hundred thousand dollars annually. Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued for small business job retention and flood survivor relief projects approved by the department after August 30, 2010.

4. The qualified company shall provide an annual report of the number of jobs and such other information as may be required by the department to document the basis for the benefits of this program. The department may withhold the approval of any benefits until it is satisfied that proper documentation has been provided, and shall reduce the benefits to reflect any reduction in full-time employees or new payroll. Upon approval by the department, the qualified company may begin the retention of the withholding taxes when it reaches the minimum number of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be issued upon satisfaction by the department that the qualified company has exceeded the county average wage and the minimum number of new jobs. In such annual report, if the average wage is below the county average wage,

the qualified company has not maintained the employee insurance as required, or if the number of new jobs is below the minimum, the qualified company shall not receive tax credits or retain the withholding tax for the balance of the benefit period. In the case of a qualified company that initially filed a notice of intent and received an approval from the department for high-impact benefits and the minimum number of new jobs in an annual report is below the minimum for high-impact projects, the company shall not receive tax credits for the balance of the benefit period but may continue to retain the withholding taxes if it otherwise meets the requirements of a small and expanding business under this program.

5. The maximum calendar year annual tax credits issued for the entire program shall not exceed eighty million dollars. Notwithstanding any provision of law to the contrary, the maximum annual tax credits authorized under section 135.535 are hereby reduced from ten million dollars to eight million dollars, with the balance of two million dollars transferred to this program. There shall be no limit on the amount of withholding taxes that may be retained by approved companies under this program.

6. The department shall allocate the annual tax credits based on the date of the approval, reserving such tax credits based on the department's best estimate of new jobs and new payroll of the project, and the other factors in the determination of benefits of this program. However, the annual issuance of tax credits is subject to the annual verification of

the actual new payroll. The allocation of tax credits for the period assigned to a project shall expire if, within two years from the date of commencement of operations, or approval if applicable, the minimum thresholds have not been achieved. The qualified company may retain authorized amounts from the withholding tax under this section once the minimum new jobs thresholds are met for the duration of the project period. No benefits shall be provided under this program until the qualified company meets the minimum new jobs thresholds. In the event the qualified company does not meet the minimum new job threshold, the qualified company may submit a new notice of intent or the department may provide a new approval for a new project of the qualified company at the project facility or other facilities.

7. For a qualified company with flow-through tax treatment to its members, partners, or shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the qualified company's tax period.

8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148, and may not be carried forward but shall be claimed within one year of the close of the taxable year for which they were issued, except as provided under subdivision (4) of subsection 3 of this section.

9. Tax credits authorized by this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the

amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department.

10. Prior to the issuance of tax credits, the department shall verify through the department of revenue, or any other state department, that the tax credit applicant does not owe any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any state department and through the department of insurance, financial institutions and professional registration that the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization of the application for such tax credits, except that at issuance credits shall be first applied to the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue or the department of insurance, financial institutions and professional registration, or any other state department, concludes that a taxpayer is delinquent after June fifteenth but before July first of any year and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits toward a tax delinquency, the administering agency shall notify the appropriate department and that department shall update the amount of outstanding delinquent tax owed by the applicant. If any credits remain

after satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of other provisions of law.

11. Except as provided under subdivision (4) of subsection 3 of this section, the director of revenue shall issue a refund to the qualified company to the extent that the amount of credits allowed in this section exceeds the amount of the qualified company's income tax.

12. An employee of a qualified company will receive full credit for the amount of tax withheld as provided in section 143.211.

13. Notwithstanding any provision of law to the contrary, no tax credits provided under sections 620.1875 to 620.1890 shall be authorized on or after August 28, 2017. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2017, or a taxpayer's ability to redeem such tax credits.

14. If any provision of sections 620.1875 to 620.1890 or application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of these sections which can be given effect without the invalid provisions or application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared severable.

660.055. 1. Any registered caregiver who meets the

requirements of this section shall be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to defray the cost of caring for an elderly person. In order to be eligible for a shared care tax credit, a registered caregiver shall:

(1) Care for an elderly person, age sixty or older, who:

(a) Is physically or mentally incapable of living alone, as determined and certified by his or her physician licensed pursuant to chapter 334, or by the division of aging staff when an assessment has been completed for the purpose of qualification for other services; and

(b) Requires assistance with activities of daily living to the extent that without care and oversight at home would require placement in a facility licensed pursuant to chapter 198; and

(c) Under no circumstances, is able or allowed to operate a motor vehicle; and

(d) Does not receive funding or services through Medicaid or social services block grant funding;

(2) Live in the same residence to give protective oversight for the elderly person meeting the requirements described in subdivision (1) of this subsection for an aggregate of more than six months per tax year;

(3) Not receive monetary compensation for providing care for the elderly person meeting the requirements described in subdivision (1) of this subsection; and

(4) File the original completed and signed physician certification for shared care tax credit form or the original

completed and signed division of aging certification for shared care tax credit form provided for in subsection 2 of section 660.054 along with such caregiver's Missouri individual income tax return to the department of revenue.

2. The tax credit allowed by this section shall apply to any year beginning after December 31, 1999.

3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in sections 660.050 to 660.057 shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions of law. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

4. Any person who knowingly falsifies any document required for the shared care tax credit shall be subject to the same penalties for falsifying other tax documents as provided in chapter 143.

5. Notwithstanding any provision of law to the contrary,

no tax credits provided under this section shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.

Section 1. An insurance company claiming a state premium tax credit or deduction shall not be required to pay any additional retaliatory tax levied under to section 375.916 as a result of claiming such credit or deduction.

[135.313. 1. Any person, firm or corporation who engages in the business of producing charcoal or charcoal products in the state of Missouri shall be eligible for a tax credit on income taxes otherwise due pursuant to chapter 143, except sections 143.191 to 143.261, as an incentive to implement safe and efficient environmental controls. The tax credit shall be equal to fifty percent of the purchase price of the best available control technology equipment connected with the production of charcoal in the state of Missouri or, if the taxpayer manufactures such equipment, fifty percent of the manufacturing cost of the equipment, to and including the year the equipment is put into service. The credit may be claimed for a period of eight years beginning with the 1998 calendar year and is to be a tax credit against the tax otherwise due.

2. Any amount of credit which exceeds the tax due shall not be refunded but may be carried over to any subsequent taxable year, not to exceed seven years.

3. The charcoal producer may elect to assign to a third party the approved tax credit. Certification of assignment and other appropriate forms must be filed with the Missouri department of revenue and the department of economic development.

4. When applying for a tax credit, the charcoal producer specified in subsection 1 of this section shall make application for the credit to the division of environmental quality of the department of natural

resources. The application shall identify the specific best available control technology equipment and the purchase price, or manufacturing cost of such equipment. The director of the department of natural resources is authorized to require permits to construct prior to the installation of best available control technology equipment and other information which he or she deems appropriate.

5. The director of the department of natural resources in conjunction with the department of economic development shall certify to the department of revenue that the best available control technology equipment meets the requirements to obtain a tax credit as specified in this section.**]**

[135.575. 1. As used in this section, the following terms mean:

(1) "Missouri health care access fund", the fund created in section 191.1056;

(2) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265;

(3) "Taxpayer", any individual subject to the tax imposed in chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

2. The provisions of this section shall be subject to section 33.282. For all taxable years beginning on or after January 1, 2007, a taxpayer shall be allowed a tax credit for donations in excess of one hundred dollars made to the Missouri health care access fund. The tax credit shall be subject to annual approval by the senate appropriations committee and the house budget committee. The tax credit amount shall be equal to one-half of the total donation made, but shall not exceed twenty-five thousand dollars per taxpayer claiming the credit. If the amount of the tax credit issued exceeds the amount of the taxpayer's state tax liability for the tax year for which the credit is claimed, the difference shall not be refundable but may be carried forward to any of the taxpayer's next four taxable years. No tax credit granted under this section shall be transferred, sold, or assigned. The cumulative amount of tax credits which may be issued under this section in any one fiscal year shall not exceed one million dollars.

3. The department of revenue may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined

in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

4. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.**]**

[143.119. 1. A self-employed taxpayer, as such term is used in the federal internal revenue code, who is otherwise ineligible for the federal income tax health insurance deduction under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax otherwise due under this chapter, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to the portion of such taxpayer's federal tax liability incurred due to such taxpayer's inclusion of such payments in federal adjusted gross income. The tax credits authorized under this section shall be nontransferable. To the extent tax credit issued under this section exceeds a taxpayer's state income tax liability, such excess shall be considered an overpayment of tax and shall be refunded to the taxpayer.

2. The director of the department of revenue shall promulgate rules and regulations to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010,

that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.**]**

[178.760. As used in sections 178.760 to 178.764, the following terms mean:

(1) "Agreement", the agreement between an employer and a community college district concerning a project. An agreement may be for a period not to exceed ten years when the program services associated with a project are not in excess of five hundred thousand dollars. For a project where the associated program costs are greater than five hundred thousand dollars, the agreement may not exceed a period of eight years;

(2) "Board of trustees", the board of trustees of a community college district;

(3) "Capital investment", an investment in research and development, working capital, and real and tangible personal business property except inventory or property intended for sale to customers. Trucks, truck trailers, truck semi-trailers, rail and barge vehicles and other rolling stock for hire, track, switches, barges, bridges, tunnels, rail yards, and spurs shall not qualify as a capital investment. The amount of such investment shall be the original cost of the property if owned, or eight times the net annual rental rate if leased;

(4) "Certificate", industrial retained jobs training certificates issued under section 178.763;

(5) "Date of commencement of the project", the date of the agreement;

(6) "Employee", the person employed in a retained job;

(7) "Employer", the person maintaining retained jobs in conjunction with a project;

(8) "Industry", a business located within this state which enters into an agreement with a community college district and which is engaged in interstate or intrastate commerce for the purpose of manufacturing,

processing, or assembling products, conducting research and development, or providing services in interstate commerce, but excluding retail services;

(9) "Program costs", all necessary and incidental costs of providing program services, including payment of the principal, premium, and interest on certificates, including capitalized interest, issued to finance a project, funding and maintenance of a debt service reserve fund to secure such certificates and wages, salaries and benefits of employees participating in on-the-job training;

(10) "Program services" includes, but is not limited to, the following:

(a) Retained jobs training;

(b) Adult basic education and job-related instruction;

(c) Vocational and skill-assessment services and testing;

(d) Training facilities, equipment, materials, and supplies;

(e) On-the-job training;

(f) Administrative expenses equal to seventeen percent of the total training costs, two percent to be paid to the department of economic development for deposit into the Missouri job development fund created under section 620.478;

(g) Subcontracted services with state institutions of higher education, private colleges or universities, or other federal, state, or local agencies;

(h) Contracted or professional services; and

(i) Issuance of certificates;

(11) "Project", a training arrangement which is the subject of an agreement entered into between the community college district and an employer to provide program services that is not also the subject of an agreement entered into between a community college district and an employer to provide program services under sections 178.892 to 178.896;

(12) "Retained job", a job in a stable industry, not including jobs for recalled workers, which was in existence for at least two consecutive calendar years preceding the year in which the application for the retained jobs training program was made;

(13) "Retained jobs credit from withholding", the credit as provided in section 178.762;

(14) "Retained jobs training program", or "program", the project or projects established by a

community college district for the retention of jobs, by providing education and training of workers for existing jobs for stable industry in the state;

(15) "Stable industry", a business that otherwise meets the definition of industry and retains existing jobs. To be a stable industry, the business shall have:

(a) Maintained at least one hundred employees per year at the employer's site in the state at which the jobs are based, for each of the two calendar years preceding the year in which application for the program is made;

(b) Retained at that site the level of employment that existed in the taxable year immediately preceding the year in which application for the program is made; and

(c) Made or agree to make a capital investment aggregating at least one million dollars to acquire or improve long-term assets (including leased facilities) such as property, plant, or equipment (excluding program costs) at the employer's site in the state at which jobs are based over a period of three consecutive calendar years, as certified by the employer and:

a. Have made substantial investment in new technology requiring the upgrading of worker's skills; or

b. Be located in a border county of the state and represent a potential risk of relocation from the state; or

c. Be determined to represent a substantial risk of relocation from the state by the director of the department of economic development;

(16) "Total training costs", costs of training, including supplies, wages and benefits of instructors, subcontracted services, on-the-job training, training facilities, equipment, skill assessment, and all program services excluding issuance of certificates.**]**

[178.761. A community college district, with the approval of the department of economic development in consultation with the office of administration, may enter into an agreement to establish a project and provide program services to an employer. As soon as possible after initial contact between a community college district and a potential employer regarding the possibility of entering into an agreement, the district shall inform the division of workforce

development of the department of economic development and the office of administration about the potential project. The division of workforce development shall evaluate the proposed project within the overall job training efforts of the state to ensure that the project will not duplicate other job training programs. The department of economic development shall have fourteen days from receipt of the application to approve or disapprove projects. If no response is received by the community college within fourteen days, the projects are approved. Any project that is disapproved must be in writing stating the reasons for the disapproval. If an agreement is entered into, the district and the employer shall notify the department of revenue within fifteen calendar days. An agreement may provide, but is not limited to:

(1) Payment of program costs, including deferred costs, which may be paid from one or a combination of the following sources:

(a) Funds appropriated by the general assembly from the Missouri community college job retention program fund and disbursed by the division of workforce development in respect of retained jobs credit from withholding to be received or derived from retained employment resulting from the project;

(b) Tuition, student fees, or special charges fixed by the board of trustees to defray program costs in whole or in part;

(c) Guarantee of payments to be received under paragraph (a) or (b) of this subdivision;

(2) Payment of program costs shall not be deferred for a period longer than ten years if program costs do not exceed five hundred thousand dollars, or eight years if program costs exceed five hundred thousand dollars from the date of commencement of the project;

(3) Costs of on-the-job training for employees shall include wages or salaries of participating employees. Payments for on-the-job training shall not exceed the average of fifty percent of the total percent of the total wages paid by the employer to each participant during the period of training. Payment for on-the-job training may continue for up to six months from the date of the employer's capital investment;

(4) A provision which fixes the minimum amount of retained jobs credit from withholding, or tuition

and fee payments which shall be paid for program costs;

(5) Any payment required to be made by an employer is a lien upon the employer's business property until paid and has equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchasers at tax sale obtain the property subject to the remaining payments.**]**

[178.762. If an agreement provides that all or part of program costs are to be met by receipt of retained jobs credit from withholding, such retained jobs credit from withholding shall be determined and paid as follows:

(1) Retained jobs credit from withholding shall be based upon the wages paid to the employees in the retained jobs;

(2) A portion of the total payments made by the employer under section 143.221 shall be designated as the retained jobs credit from withholding. Such portion shall be an amount equal to two and one-half percent of the gross wages paid by the employer for each of the first one hundred jobs included in the project and one and one-half percent of the gross wages paid by the employer for each of the remaining jobs included in the project. If business or employment conditions cause the amount of the retained jobs credit from withholding to be less than the amount projected in the agreement for any time period, then other withholding tax paid by the employer under section 143.221 shall be credited to the Missouri community college retained job training fund by the amount of such difference. The employer shall remit the amount of the retained jobs credit to the department of revenue in the manner prescribed in section 178.764. When all program costs, including the principal, premium, and interest on the certificates have been paid, the employer credits shall cease;

(3) The community college district participating in a project shall establish a special fund for and in the name of the project. All funds appropriated by the general assembly from the Missouri community college job training retention program fund and

disbursed by the division of workforce development for the project and other amounts received by the district in respect of the project and required by the agreement to be used to pay program costs for the project shall be deposited in the special fund. Amounts held in the special fund may be used and disbursed by the district only to pay program costs for the project. The special fund may be divided into such accounts and subaccounts as shall be provided in the agreement, and amounts held therein may be invested in investments which are legal for the investment of the district's other funds;

(4) Any disbursement in respect of a project received from the division of workforce development under sections 178.760 to 178.764 and the special fund into which it is paid may be irrevocably pledged by a community college district for the payment of the principal, premium, and interest on the certificate issued by a community college district to finance or refinance, in whole or in part, the project;

(5) The employer shall certify to the department of revenue that the credit from withholding is in accordance with an agreement and shall provide other information the department may require;

(6) An employee participating in a project will receive full credit for the amount designated as a retained jobs credit from withholding and withheld as provided in section 143.221;

(7) If an agreement provides that all or part of program costs are to be met by receipt of retained jobs credit from withholding, the provisions of this subsection shall also apply to any successor to the original employer until such time as the principal and interest on the certificates have been paid.**]**

[178.763. 1. To provide funds for the present payment of the costs of retained jobs training programs, a community college district may borrow money and issue and sell certificates payable from a sufficient portion of the future receipts of payments authorized by the agreement including disbursements from the Missouri community college job retention training program to the special fund established by the district for each project. The total amount of outstanding certificates sold by all community college districts shall not exceed fifteen million dollars, unless an increased amount is authorized in writing by a majority of members of the Missouri job training

joint legislative oversight committee. The certificates shall be marketed through financial institutions authorized to do business in Missouri. The receipts shall be pledged to the payment of principal of and interest on the certificates. Certificates may be sold at public sale or at private sale at par, premium, or discount of not less than ninety-five percent of the par value thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as the board of trustees shall determine, notwithstanding the provisions of section 108.170 to the contrary. However, chapter 176 does not apply to the issuance of these certificates. Certificates may be issued with respect to a single project or multiple projects and may contain terms or conditions as the board of trustees may provide by resolution authorizing the issuance of the certificates.

2. Certificates issued to refund other certificates may be sold at public sale or at private sale as provided in this section with the proceeds from the sale to be used for the payment of the certificates being refunded. The refunding certificates may be exchanged in payment and discharge of the certificates being refunded, in installments at different times or an entire issue or series at one time. Refunding certificates may be sold or exchanged at any time on, before, or after the maturity of the outstanding certificates to be refunded. They may be issued for the purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

3. Before certificates are issued, the board of trustees shall publish once a notice of its intention to issue the certificates, stating the amount, the purpose, and the project or projects for which the certificates are to be issued. A person may, within fifteen days after the publication of the notice, by action in the circuit court of a county in the district, appeal the decision of the board of trustees to issue the certificates. The action of the board of trustees in determining to issue the certificates is final and conclusive unless the circuit court finds that the board of trustees has exceeded its legal authority. An action shall not be brought which questions the legality of the certificates, the power of the board of trustees to issue the certificates,

the effectiveness of any proceedings relating to the authorization of the project, or the authorization and issuance of the certificates from and after fifteen days from the publication of the notice of intention to issue.

4. The board of trustees shall make a finding based on information supplied by the employer that revenues provided in the agreement are sufficient to secure the faithful performance of obligations in the agreement.

5. Certificates issued under this section shall not be deemed to be an indebtedness of the state or the community college district or of any other political subdivision of the state, and the principal and interest on such certificates shall be payable only from the sources provided in subdivision (1) of section 178.761 which are pledged in the agreement.

6. The department of economic development shall coordinate the retained jobs training program, and may promulgate rules that districts will use in developing projects with industrial retained jobs training proposals which shall include rules providing for the coordination of such proposals with the service delivery areas established in the state to administer federal funds pursuant to the federal Workforce Investment Act. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to chapter 536.

7. No community college district may sell certificates as described in this section after July 1, 2014.**]**

[178.764. 1. There is hereby established within the state treasury a special fund, to be known as the "Missouri Community College Job Retention Training Program Fund", to be administered by the division of workforce development. The department of revenue shall credit to the community college job retention training program fund, as received, all retained jobs credit from withholding remitted by employers pursuant to section 178.762. The fund shall also consist of any gifts, contributions, grants, or bequests received from federal, private, or other sources. The general assembly, however, shall not provide for any transfer of general revenue funds into the community college job retention training program fund. Moneys in the Missouri community college job retention training

program fund shall be disbursed to the division of workforce development pursuant to regular appropriations by the general assembly. The division shall disburse such appropriated funds in a timely manner into the special funds established by community college districts for projects, which funds shall be used to pay program costs, including the principal, premium, and interest on certificates issued by the district to finance or refinance, in whole or in part, a project. Such disbursements by the division of workforce development shall be made to the special fund for each project in the same proportion as the retained jobs credit from withholding remitted by the employer participating in such project bears to the total retained jobs credit from withholding remitted by all employers participating in projects during the period for which the disbursement is made. Moneys for retained jobs training programs established under sections 178.760 to 178.764 shall be obtained from appropriations made by the general assembly from the Missouri community college job retention training program fund. All moneys remaining in the Missouri community college job retention training program fund at the end of any fiscal year shall not lapse to the general revenue fund, as provided in section 33.080, but shall remain in the Missouri community college job retention training program fund.

2. The department of revenue shall develop such forms as are necessary to demonstrate accurately each employer's retained jobs credit from withholding paid into the Missouri community college job retention training program fund.

The retained jobs credit from withholding shall be accounted as separate from the normal withholding tax paid to the department of revenue by the employer. Reimbursements made by all employers to the Missouri community college job retention training program fund shall be no less than all allocations made by the division of workforce development to all community college districts for all job retention projects. The employer shall remit the amount of the retained job credit to the department of revenue in the same manner as provided in sections 143.191 to 143.265.**]**

[178.892. As used in sections 178.892 to 178.896, the following terms mean:

(1) "Agreement", the agreement, between an employer and a community college district, concerning

a project. An agreement may be for a period not to exceed ten years when the program services associated with a project are not in excess of five hundred thousand dollars. For a project where associated program costs are greater than five hundred thousand dollars, the agreement may not exceed a period of eight years. No agreement shall be entered into between an employer and a community college district which involves the training of potential employees with the purpose of replacing or supplanting employees engaged in an authorized work stoppage;

(2) "Board of trustees", the board of trustees of a community college district;

(3) "Certificate", industrial new jobs training certificates issued pursuant to section 178.895;

(4) "Date of commencement of the project", the date of the agreement;

(5) "Employee", the person employed in a new job;

(6) "Employer", the person providing new jobs in conjunction with a project;

(7) "Essential industry", a business that otherwise meets the definition of industry but instead of creating new jobs maintains existing jobs. To be an essential industry, the business must have maintained at least two thousand jobs each year for a period of four years preceding the year in which application for the program authorized by sections 178.892 to 178.896 is made and must be located in a home rule city with more than twenty-six thousand but less than twenty-seven thousand inhabitants located in any county with a charter form of government and with more than one million inhabitants;

(8) "Existing job", a job in an essential industry that pays wages or salary greater than the average of the county in which the project will be located;

(9) "Industry", a business located within the state of Missouri which enters into an agreement with a community college district and which is engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, or assembling products, conducting research and development, or providing services in interstate commerce, but excluding retail services. "Industry" does not include a business which closes or substantially reduces its operation in one area of the state and relocates substantially the same operation in another area of the state. This

does not prohibit a business from expanding its operations in another area of the state provided that existing operations of a similar nature are not closed or substantially reduced;

(10) "New job", a job in a new or expanding industry not including jobs of recalled workers, or replacement jobs or other jobs that formerly existed in the industry in the state. For an essential industry, an existing job shall be considered a new job for the purposes of the new job training programs;

(11) "New jobs credit from withholding", the credit as provided in section 178.894;

(12) "New jobs training program" or "program", the project or projects established by a community college district for the creation of jobs by providing education and training of workers for new jobs for new or expanding industry in the state;

(13) "Program costs", all necessary and incidental costs of providing program services including payment of the principal of, premium, if any, and interest on certificates, including capitalized interest, issued to finance a project, funding and maintenance of a debt service reserve fund to secure such certificates and wages, salaries and benefits of employees participating in on-the-job training;

(14) "Program services" includes, but is not limited to, the following:

(a) New jobs training;

(b) Adult basic education and job-related instruction;

(c) Vocational and skill-assessment services and testing;

(d) Training facilities, equipment, materials, and supplies;

(e) On-the-job training;

(f) Administrative expenses equal to fifteen percent of the total training costs;

(g) Subcontracted services with state institutions of higher education, private colleges or universities, or other federal, state, or local agencies;

(h) Contracted or professional services; and

(i) Issuance of certificates;

(15) "Project", a training arrangement which is the subject of an agreement entered into between the community college district and an employer to provide program services;

(16) "Total training costs", costs of training, including supplies, wages and benefits of instructors, subcontracted services, on-the-job training, training facilities, equipment, skill assessment and all program services excluding issuance of certificates.**]**

[178.893. A community college district, with the approval of the department of economic development in consultation with the office of administration, may enter into an agreement to establish a project and provide program services to an employer. As soon as possible after initial contact between a community college district and a potential employer regarding the possibility of entering into an agreement, the district shall inform the division of job development and training of the department of economic development and the office of administration about the potential project. The division of job development and training shall evaluate the proposed project within the overall job training efforts of the state to ensure that the project will not duplicate other job training programs. The department of economic development shall have fourteen days from receipt of the application to approve or disapprove projects. If no response is received by the community college within fourteen days the projects are approved. Any project that is disapproved must be in writing stating the reasons for the disapproval. If an agreement is entered into, the district and the employer shall notify the department of revenue within fifteen calendar days. An agreement may provide, but is not limited to:

(1) Payment of program costs, including deferred costs, which may be paid from one or a combination of the following sources:

(a) Funds appropriated by the general assembly from the Missouri community college job training program fund and disbursed by the division of job development and training in respect of new jobs credit from withholding to be received or derived from new employment resulting from the project;

(b) Tuition, student fees, or special charges fixed by the board of trustees to defray program costs in whole or in part;

(c) Guarantee of payments to be received under paragraph (a) or (b) of this subdivision;

(2) Payment of program costs shall not be deferred for a period longer than ten years if program

costs do not exceed five hundred thousand dollars, or eight years if program costs exceed five hundred thousand dollars from the date of commencement of the project;

(3) Costs of on-the-job training for employees, shall include wages or salaries of participating employees. Payments for on-the-job training shall not exceed the average of fifty percent of the total percent of the total wages paid by the employer to each participant during the period of training. Payment for on-the-job training may continue for up to six months after the placement of the participant in the new job;

(4) A provision which fixes the minimum amount of new jobs credit from withholding, or tuition and fee payments which shall be paid for program costs;

(5) Any payment required to be made by an employer is a lien upon the employer's business property until paid and has equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchasers at tax sale obtain the property subject to the remaining payments.**]**

[178.894. If an agreement provides that all or part of program costs are to be met by receipt of new jobs credit from withholding, such new jobs credit from withholding shall be determined and paid as follows:

(1) New jobs credit from withholding shall be based upon the wages paid to the employees in the new jobs;

(2) A portion of the total payments made by the employer pursuant to section 143.221 shall be designated as the new jobs credit from withholding. Such portion shall be an amount equal to two and one-half percent of the gross wages paid by the employer for each of the first one hundred jobs included in the project and one and one-half percent of the gross wages paid by the employer for each of the remaining jobs included in the project. If business or employment conditions cause the amount of the new jobs credit from withholding to be less than the amount projected in the agreement for any time period, then other withholding tax paid by the

employer pursuant to section 143.221 shall be credited to the Missouri community college job training fund by the amount of such difference. The employer shall remit the amount of the new jobs credit to the department of revenue in the manner prescribed in section 178.896. When all program costs, including the principal of, premium, if any, and interest on the certificates have been paid, the employer credits shall cease;

(3) The community college district participating in a project shall establish a special fund for and in the name of the project. All funds appropriated by the general assembly from the Missouri community college job training program fund and disbursed by the division of job development and training for the project and other amounts received by the district in respect of the project and required by the agreement to be used to pay program costs for the project shall be deposited in the special fund. Amounts held in the special fund may be used and disbursed by the district only to pay program costs for the project. The special fund may be divided into such accounts and subaccounts as shall be provided in the agreement, and amounts held therein may be invested in investments which are legal for the investment of the district's other funds;

(4) Any disbursement in respect of a project received from the division of job development and training under the provisions of sections 178.892 to 178.896 and the special fund into which it is paid may be irrevocably pledged by a community college district for the payment of the principal of, premium, if any, and interest on the certificate issued by a community college district to finance or refinance, in whole or in part, the project;

(5) The employer shall certify to the department of revenue that the credit from withholding is in accordance with an agreement and shall provide other information the department may require;

(6) An employee participating in a project will receive full credit for the amount designated as a new jobs credit from withholding and withheld as provided in section 143.221;

(7) If an agreement provides that all or part of program costs are to be met by receipt of new jobs credit from withholding, the provisions of this subsection shall also apply to any successor to the original employer until such time as the principal and

interest on the certificates have been paid.**]**

[178.895. 1. To provide funds for the present payment of the costs of new jobs training programs, a community college district may borrow money and issue and sell certificates payable from a sufficient portion of the future receipts of payments authorized by the agreement including disbursements from the Missouri community college job training program to the special fund established by the district for each project. The total amount of outstanding certificates sold by all community college districts shall not exceed twenty million dollars, unless an increased amount is authorized in writing by a majority of members of the Missouri job training joint legislative oversight committee. The certificates shall be marketed through financial institutions authorized to do business in Missouri. The receipts shall be pledged to the payment of principal of and interest on the certificates. Certificates may be sold at public sale or at private sale at par, premium, or discount of not less than ninety-five percent of the par value thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as the board of trustees shall determine, notwithstanding the provisions of section 108.170 to the contrary. However, chapter 176 does not apply to the issuance of these certificates. Certificates may be issued with respect to a single project or multiple projects and may contain terms or conditions as the board of trustees may provide by resolution authorizing the issuance of the certificates.

2. Certificates issued to refund other certificates may be sold at public sale or at private sale as provided in this section with the proceeds from the sale to be used for the payment of the certificates being refunded. The refunding certificates may be exchanged in payment and discharge of the certificates being refunded, in installments at different times or an entire issue or series at one time. Refunding certificates may be sold or exchanged at any time on, before, or after the maturity of the outstanding certificates to be refunded. They may be issued for the purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

3. Before certificates are issued, the board of

trustees shall publish once a notice of its intention to issue the certificates, stating the amount, the purpose, and the project or projects for which the certificates are to be issued. A person may, within fifteen days after the publication of the notice, by action in the circuit court of a county in the district, appeal the decision of the board of trustees to issue the certificates. The action of the board of trustees in determining to issue the certificates is final and conclusive unless the circuit court finds that the board of trustees has exceeded its legal authority. An action shall not be brought which questions the legality of the certificates, the power of the board of trustees to issue the certificates, the effectiveness of any proceedings relating to the authorization of the project, or the authorization and issuance of the certificates from and after fifteen days from the publication of the notice of intention to issue.

4. The board of trustees shall determine if revenues provided in the agreement are sufficient to secure the faithful performance of obligations in the agreement.

5. Certificates issued under this section shall not be deemed to be an indebtedness of the state or the community college district or of any other political subdivision of the state and the principal and interest on such certificates shall be payable only from the sources provided in subdivision (1) of section 178.893 which are pledged in the agreement.

6. The department of economic development shall coordinate the new jobs training program, and may promulgate rules that districts will use in developing projects with new and expanding industrial new jobs training proposals which shall include rules providing for the coordination of such proposals with the service delivery areas established in the state to administer federal funds pursuant to the federal Job Training Partnership Act. No rule or portion of a rule promulgated under the authority of sections 178.892 to 178.896 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of no force and effect and repealed; however, nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to June 27, 1997, if such rule complied with the provisions of chapter 536. The

provisions of this section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, including the ability to review, to delay the effective date, or to disapprove and annul a rule or portion of a rule, are subsequently held unconstitutional, then the purported grant of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall be invalid and void.

7. No community college district may sell certificates as described in this section after July 1, 2018.**]**

[178.896. 1. There is hereby established within the state treasury a special fund, to be known as the "Missouri Community College Job Training Program Fund", to be administered by the division of job development and training. The department of revenue shall credit to the community college job training program fund, as received, all new jobs credit from withholding remitted by employers pursuant to section 178.894. The fund shall also consist of any gifts, contributions, grants or bequests received from federal, private or other sources. The general assembly, however, shall not provide for any transfer of general revenue funds into the community college job training program fund. Moneys in the Missouri community college job training program fund shall be disbursed to the division of job development and training pursuant to regular appropriations by the general assembly. The division shall disburse such appropriated funds in a timely manner into the special funds established by community college districts for projects, which funds shall be used to pay program costs, including the principal of, premium, if any, and interest on certificates issued by the district to finance or refinance, in whole or in part, a project. Such disbursements by the division of job development and training shall be made to the special fund for each project in the same proportion as the new jobs credit from withholding remitted by the employer participating in such project bears to the total new jobs credit from withholding remitted by all employers participating in projects during the period for which the disbursement is made. Moneys for new jobs training programs established under the provisions of sections 178.892 to 178.896 shall be obtained from appropriations made by the general assembly from the

Missouri community college job training program fund. All moneys remaining in the Missouri community college job training program fund at the end of any fiscal year shall not lapse to the general revenue fund, as provided in section 33.080, but shall remain in the Missouri community college job training program fund.

2. The department of revenue shall develop such forms as are necessary to demonstrate accurately each employer's new jobs credit from withholding paid into the Missouri community college job training program fund. The new jobs credit from withholding shall be accounted as separate from the normal withholding tax paid to the department of revenue by the employer. Reimbursements made by all employers to the Missouri community college job training program fund shall be no less than all allocations made by the division of job development and training to all community college districts for all projects. The employer shall remit the amount of the new job credit to the department of revenue in the same manner as provided in sections 143.191 to 143.265.

3. Sections 178.892 to 178.896 shall expire July 1, 2028.**]**

[348.253. 1. The Missouri technology corporation may contract with not-for-profit organizations to carry out the provisions of sections 348.251 to 348.275. By entering into such contracts, the corporation shall attempt to achieve the following objectives:

(1) The establishment of a research alliance which shall advance technology development, as defined in subdivision (3) of section 348.251. The corporation, in this capacity, shall have the authority to contract directly with centers for advanced technology, as established by section 348.272, and other not-for-profit entities. In proceeding with this objective, the corporation and centers for advanced technology shall utilize the results of targeted industry studies commissioned by the department of economic development;

(2) Technology commercialization, as defined in subdivision (2) of section 348.251;

(3) The establishment of a finance corporation to assist in the implementation of section 348.261; and

(4) The enhancement of technology application, as defined in subdivision (1) of section 348.251.

2. Any contract signed between the corporation and any not-for-profit organization, including innovation centers as defined in section 348.271, shall require that the not-for-profit organization must provide at least one-hundred-percent match for any funding received from the corporation through the technology investment fund, as established in section 348.264.**]**

[348.505. 1. As used in this section, "state tax liability", any state tax liability incurred by a taxpayer under the provisions of chapters 143, 147, and 148, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions.

2. Any eligible lender under the family farm livestock loan program under section 348.500 shall be entitled to receive a tax credit equal to one hundred percent of the amount of interest waived by the lender under section 348.500 on a qualifying loan for the first year of the loan only. The tax credit shall be evidenced by a tax credit certificate issued by the agricultural and small business development authority and may be used to satisfy the state tax liability of the owner of such certificate that becomes due in the tax year in which the interest on a qualified loan is waived by the lender under section 348.500. No lender may receive a tax credit under this section unless such person presents a tax credit certificate to the department of revenue for payment of such state tax liability. The amount of the tax credits that may be issued to all eligible lenders claiming tax credits authorized in this section in a fiscal year shall not exceed three hundred thousand dollars.

3. The agricultural and small business development authority shall be responsible for the administration and issuance of the certificate of tax credits authorized by this section. The authority shall issue a certificate of tax credit at the request of any lender. Each request shall include a true copy of the loan documents, the name of the lender who is to receive a certificate of tax credit, the type of state tax liability against which the tax credit is to be used, and the amount of the certificate of tax credit to be issued to the lender based on the interest waived by the lender under section 348.500 on the loan for the first year.

4. The Missouri department of revenue shall

accept a certificate of tax credit in lieu of other payment in such amount as is equal to the lesser of the amount of the tax or the remaining unused amount of the credit as indicated on the certificate of tax credit, and shall indicate on the certificate of tax credit the amount of tax thereby paid and the date of such payment.

5. The following provisions shall apply to tax credits authorized under this section:

(1) Tax credits claimed in a taxable year may be claimed on a quarterly basis and applied to the estimated quarterly tax of the lender;

(2) Any amount of tax credit which exceeds the tax due, including any estimated quarterly taxes paid by the lender under subdivision (1) of this subsection which results in an overpayment of taxes for a taxable year, shall not be refunded but may be carried over to any subsequent taxable year, not to exceed a total of three years for which a tax credit may be taken for a qualified family farm livestock loan;

(3) Notwithstanding any provision of law to the contrary, a lender may assign, transfer or sell tax credits authorized under this section, with the new owner of the tax credit receiving the same rights in the tax credit as the lender. For any tax credits assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed by the lender with the authority specifying the name and address of the new owner of the tax credit and the value of such tax credit; and

(4) Notwithstanding any other provision of this section to the contrary, any commercial bank may use tax credits created under this section as provided in section 148.064 and receive a net tax credit against taxes actually paid in the amount of the first year's interest on loans made under this section. If such first year tax credits reduce taxes due as provided in section 148.064 to zero, the remaining tax credits may be carried over as otherwise provided in this section and utilized as provided in section 148.064 in subsequent years.**]**

[620.470. As used in sections 620.470 to 620.481, unless the context clearly requires otherwise, the following terms mean:

(1) "Department", the Missouri department of economic development;

(2) "Fund", the Missouri job development fund as

established by section 620.478;

(3) "Industry", an entity the objective of which is to supply a service or the objective of which is the commercial production and sale of an article of trade or commerce. The term includes a consortium of such entities organized for the purpose of providing for common training to the member entities' employees, provided that the consortium as a whole meets the requirements for participation in this program;

(4) "Manufacturing", the making or processing of raw materials into a finished product, especially by means of large-scale machines of industry.**]**

[620.472. 1. The department shall establish a new or expanding industry training program, the purpose of which is to provide assistance for new or expanding industries for the training, retraining or upgrading of the skills of potential employees. Training may include preemployment training, and services may include analysis of the specified training needs for such company, development of training plans, and provision of training through qualified training staff. Such program may fund in-plant training analysis, curriculum development, assessment and preselection tools, publicity for the program, instructional services, rental of instructional facilities with necessary utilities, access to equipment and supplies, other necessary services, overall program direction, and an adequate staff to carry out an effective training program. In addition, the program may fund a coordinated transportation program for trainings if the training can be more effectively provided outside the community where the jobs are to be located. In-plant training analysis shall include fees for professionals and necessary travel and expenses. Such program may also provide assistance in the locating of skilled employees and in the locating of additional sources of job training funds. Such program shall be operated with appropriations made by the general assembly from the fund.

2. Assistance under the new or expanding industry training program may be available only for industries who certify to the department that their investments relate directly to a projected increase in employment which will result in the need for training of newly hired employees or the retraining or upgrading of the skills of existing employees for new

jobs created by the new or expanding industry's investment.

3. The department shall issue rules and regulations governing the awarding of funds administered through the new or expanding industry training program. When promulgating these rules and regulations, the department shall consider such factors as the potential number of new permanent jobs to be created, the amount of private sector investment in new facilities and equipment, the significance of state funding to the industry's decision to locate or expand in Missouri, the economic need of the affected community, and the importance of the industry to the economic development of Missouri.**]**

[620.474. 1. The department shall establish a basic industry retraining program, the purpose of which is to provide assistance for industries in Missouri for the retraining and upgrading of employees' skills which are required to support new investment. Such program shall be operated with appropriations made by the general assembly from the fund.

2. Assistance under the basic industry retraining program may be made available for industries in Missouri which make new investments without the creation of new employment.

3. The department shall issue rules and regulations governing the awarding of funds administered through the basic industry retraining fund. When promulgating these rules and regulations, the department shall consider such factors as the number of jobs in jeopardy of being lost if retraining does not occur, the amount of private sector investment in new facilities and equipment, the ratio of jobs retained versus investment, the cost of normal, ongoing training required for the industry, the economic need of the affected community, and the importance of the industry to the economic development of Missouri.**]**

[620.475. 1. The department shall establish an industry quality and productivity improvement program to help industries and businesses evaluate and enhance quality and productivity, and to encourage the private sector to develop long-range goals to improve quality and productivity and improve the competitive position of private businesses. The quality and productivity

improvement program shall include seminars, workshops and short courses on subjects such as long-range planning, new management techniques, automated manufacturing, innovative uses of new materials and the latest philosophies of management and quality improvement. The program shall be available to existing Missouri manufacturing, distribution and service businesses.

2. The department may develop quality and productivity improvement centers at university and community college campuses throughout the state as the demand and need is determined. The department shall have the authority to contract with individuals who possess particular knowledge, ability and expertise in the various subjects which may be essential to the program's goals. Seminars, workshops, short courses and specific not for credit classes shall be developed on and off campus for personnel engaged in manufacturing, distribution and service businesses. At the discretion of the department, the University of Missouri and Lincoln University extension services, the continuing education offices of the regional universities and community colleges may be used for the promotion and coordination of the off-campus courses that are offered.

3. Activities eligible for reimbursement in the industry quality and productivity program shall include:

(1) The cost of seminars, workshops, short courses and specific not for credit classes;

(2) The wages of instructors;

(3) Productivity materials and supplies, including the purchase of packaged productivity programs when appropriate;

(4) Travel directly related to the program;

(5) Tuition payments to third-party productivity providers and to businesses; and

(6) Teaching and assistance provided by educational institutions in the state.

4. No industry receiving assistance under the industry quality and productivity improvement program shall be reimbursed for more than fifty percent of the total costs of its participation in the program.**]**

[620.476. Activities eligible for reimbursement by funds administered through the new or expanding industry program and the basic industry retraining program shall include: the wages of instructors, who

may or may not be employees of the industry; training development costs, including the cost of training of instructors; training materials and supplies, including the purchase of packaged training programs when appropriate; travel directly related to the training program; tuition payments to third-party training providers and to the industry; teaching and assistance provided by educational institutions in the state of Missouri; on-the-job training; and the leasing, but not the purchase, of training equipment and space.**]**

[620.478. 1. There is hereby established in the state treasury a special fund to be known as the "Missouri Job Development Fund". The fund shall consist of all moneys which may be appropriated to it by the general assembly and also any gifts, contributions, grants or bequests received from federal, private or other sources. Appropriations made from the fund shall be for the purpose of providing contractual services through the department of elementary and secondary education for vocational related training or retraining provided by public or private training institutions within Missouri; and for contracted services through the department of economic development for vocational related training or retraining provided by public or private training institutions located outside of Missouri; and for vocational related training or retraining provided on site, within Missouri, by any proprietorship, partnership or corporate entity. Except for state-sponsored preemployment training, no applicant shall receive more than fifty percent of its project training or retraining costs from the development fund. Moneys to operate the new or expanding industry training program, the basic industry retraining program, the industry quality and productivity improvement program and assistance to community college business and technology centers shall be obtained from appropriations made by the general assembly from the fund. No funds shall be awarded or reimbursed to any industry for the training, retraining or upgrading of skills of potential employees with the purpose of replacing or supplanting employees engaged in an authorized work stoppage.

2. The Missouri job development fund shall be able to receive any block grant or other sources of funding relating to job training, school-to-work

transition, welfare reform, vocational and technical training, housing, infrastructure development and human resource investment programs which may be provided by the federal government or other sources.**]**

[620.479. The department is authorized to contract with other entities, including businesses, industries, other state agencies and the political subdivisions of the state, for the purpose of carrying out the provisions of sections 620.470 to 620.481.**]**

[620.480. To efficiently carry out the responsibilities of the division of job development and training and to improve job training program coordination, the commissioner of administration shall authorize the division to directly negotiate with and contract for job training and related services with administrative entities designated pursuant to the requirements of the Job Training Partnership Act and any subsequent amendments and any other agencies or entities which may be designated to administer job training and related services pursuant to any succeeding federal or state legislative or regulatory requirements.**]**

[620.481. There is hereby created the "Missouri Job Training Joint Legislative Oversight Committee". The committee shall consist of three members of the Missouri senate appointed by the president pro tem of the senate; three members of the house of representatives appointed by the speaker of the house. No more than two of the members of the senate and two of the members of the house of representatives shall be from the same political party. Members of the Missouri job training joint legislative oversight committee shall report to the governor, the president pro tem of the senate and the speaker of the house of representatives on all assistance to industries under the provisions of sections 620.470 to 620.481 provided during the preceding fiscal year and the customized job training program administered by the department of elementary and secondary education. The report of the committee shall be delivered no later than October first of each year. The director of the department of economic development shall report to the committee such information as the committee may deem necessary for its annual report. Members of the committee shall receive no compensation in addition to their salary as

members of the general assembly, but may receive their necessary expenses while attending the meetings of the committee, to be paid out of the joint contingent fund.**]**

[620.482. 1. The department may provide assistance, through appropriations made from the Missouri job development fund, to business and technology centers. Such assistance may not include the lending of the state's credit for the payment of any liability of the fund. Such centers may be established by Missouri community colleges, or a state-owned postsecondary technical college, to provide business and training services in disciplines which shall include, but not be limited to, environmental health and safety, industrial electrical technology, machine tool technology, industrial management and technology, computer consulting and computer-aided drafting, microcomputer training and telecommunications training.

2. The department of economic development shall promulgate rules and regulations as are necessary to implement the provisions of sections 620.470 to 620.482. No rule or portion of a rule promulgated under the authority of sections 620.470 to 620.482 shall become effective unless it has been promulgated pursuant to the provisions of section 536.024.**]**

Section B. Because immediate action is necessary to secure adequate state revenue, section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and section A of this act shall be in full force and effect upon its passage and approval.